

# ANNUAL FINANCIAL REPORT

## WHITE COUNTY, TENNESSEE

FOR THE YEAR ENDED JUNE 30, 2020



DIVISION OF LOCAL GOVERNMENT AUDIT



**ANNUAL FINANCIAL REPORT  
WHITE COUNTY, TENNESSEE  
FOR THE YEAR ENDED JUNE 30, 2020**

***COMPTROLLER OF THE TREASURY  
JUSTIN P. WILSON***

***DIVISION OF LOCAL GOVERNMENT AUDIT  
JAMES R. ARNETTE  
Director***

***STEVE REEDER, CPA, CGFM, CFE  
Audit Manager***

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Senior Auditor***

***TYLER MUSIC  
BARBARA W. SHULTS  
State Auditors***

This financial report is available at **[www.comptroller.tn.gov](http://www.comptroller.tn.gov)**

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## WHITE COUNTY, TENNESSEE

### TABLE OF CONTENTS

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	Exhibit	Page(s)
Summary of Audit Findings		6
<u>INTRODUCTORY SECTION</u>		7
White County Officials		8
<u>FINANCIAL SECTION</u>		9
Independent Auditor's Report		10-13
BASIC FINANCIAL STATEMENTS:		14
Government-wide Financial Statements:		
Statement of Net Position	A	15-17
Statement of Activities	B	18-19
Fund Financial Statements:		
Governmental Funds:		
Balance Sheet	C-1	20-22
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	C-2	23
Statement of Revenues, Expenditures, and Changes in Fund Balances	C-3	24-25
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	C-4	26
Statements of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Fund	C-5	27-29
Highway/Public Works Fund	C-6	30
Proprietary Funds:		
Statement of Net Position	D-1	31-32
Statement of Revenues, Expenses, and Changes in Net Position	D-2	33-34
Statement of Cash Flows	D-3	35
Fiduciary Funds:		
Statement of Fiduciary Assets and Liabilities	E	36
Index and Notes to the Financial Statements		37-94
REQUIRED SUPPLEMENTARY INFORMATION:		95
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-1	96
Schedule of Contributions Based on Participation in the Public Employee Pension Plan of TCRS – Primary Government	F-2	97
Schedule of Contributions Based on Participation in the Teacher Retirement Plan of TCRS – Discretely Presented White County School Department	F-3	98

	Exhibit	Page(s)
Schedule of Contributions Based on Participation in the Teacher Legacy Pension Plan of TCRS – Discretely Presented White County School Department	F-4	99
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Pension Plan of TCRS – Discretely Presented White County School Department	F-5	100
Schedule of Proportionate Share of the Net Pension Asset in the Teacher Legacy Pension Plan of TCRS – Discretely Presented White County School Department	F-6	101
Schedule of Changes in the Total OPEB Liability and Related Ratios- Local Education Plan - Discretely Presented White County School Department	F-7	102
Notes to the Required Supplementary Information		103
COMBINING AND INDIVIDUAL FUND FINANCIAL STATEMENTS AND SCHEDULES:		104
Nonmajor Governmental Funds:		105
Combining Balance Sheet	G-1	106-107
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances	G-2	108-109
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
Industrial/Economic Development Fund	G-3	110
Drug Control Fund	G-4	111
Major Governmental Fund:		112
Schedule of Revenues, Expenditures, and Changes in Fund Balance – Actual and Budget:		
General Debt Service Fund	H	113
Fiduciary Funds:		114
Combining Statement of Fiduciary Assets and Liabilities	I-1	115
Combining Statement of Changes in Assets and Liabilities – All Agency Funds	I-2	116
Component Unit:		
Discretely Presented White County School Department:		117
Statement of Activities	J-1	118
Balance Sheet – Governmental Funds	J-2	119-120
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position	J-3	121
Statement of Revenues, Expenditures, and Changes in Fund Balances – Governmental Funds	J-4	122-123
Reconciliation of the Statement of Revenues, Expenditures, and Changes in Fund Balances of Governmental Funds to the Statement of Activities	J-5	124
Combining Balance Sheet – Nonmajor Governmental Funds	J-6	125
Combining Statement of Revenues, Expenditures, and Changes in Fund Balances – Nonmajor Governmental Funds	J-7	126
Schedules of Revenues, Expenditures, and Changes in Fund Balances – Actual (Budgetary Basis) and Budget:		
General Purpose School Fund	J-8	127-128
School Federal Projects Fund	J-9	129
Central Cafeteria Fund	J-10	130

	Exhibit	Page(s)
Miscellaneous Schedules:		131
Schedule of Changes in Long-term Bonds and Notes	K-1	132
Schedule of Long-term Debt Requirements by Year	K-2	133
Schedule of Notes Receivable	K-3	134
Schedule of Transfers – Primary Government and Discretely Presented White County School Department	K-4	135
Schedule of Salaries and Official Bonds of Principal Officials – Primary Government and Discretely Presented White County School Department	K-5	136
Schedule of Detailed Revenues – All Governmental Fund Types	K-6	137-148
Schedule of Detailed Revenues – All Governmental Fund Types – Discretely Presented White County School Department	K-7	149-152
Schedule of Detailed Expenditures – All Governmental Fund Types	K-8	153-171
Schedule of Detailed Expenditures – All Governmental Fund Types – Discretely Presented White County School Department	K-9	172-181
Schedule of Detailed Receipts, Disbursements, and Changes in Cash Balance – City Agency Fund	K-10	182
<u>SINGLE AUDIT SECTION</u>		183
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With <i>Government Auditing Standards</i>		184-185
Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by Uniform Guidance		186-188
Schedule of Expenditures of Federal Awards and State Grants		189-190
Summary Schedule of Prior-year Findings		191
Schedule of Findings and Questioned Costs		192-195
Management's Corrective Action Plan		196-197

# ***Summary of Audit Findings***

Annual Financial Report  
White County, Tennessee  
For the Year Ended June 30, 2020

## ***Scope***

We have audited the basic financial statements of White County as of and for the year ended June 30, 2020.

## ***Results***

Our report on White County's financial statements is unmodified.

Our audit resulted in three findings and recommendations, which we have reviewed with White County management. The detailed findings, recommendations, and management's responses are included in the Single Audit section of this report.

## ***Findings***

The following is a summary of the audit findings:

### **OFFICE OF DIRECTOR OF FINANCE**

- ◆ The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2020.

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### **OFFICE OF COUNTY CLERK**

- ◆ Operations of the County Clerk's Office are currently being reviewed.

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### **OFFICE OF SHERIFF**

- ◆ An investigation in the White County Sheriff's Department disclosed several deficiencies.
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## INTRODUCTORY SECTION

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## White County Officials

### June 30, 2020

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#### **Officials**

Denny Wayne Robinson, County Executive  
Clay Parker, Road Superintendent  
Kurt Dronebarger, Director of Schools  
Kathryn Adcock, Trustee  
Earl Jones, Assessor of Property  
Sasha Wilson, County Clerk  
Beverly Jolley, Circuit and General Sessions Courts Clerk  
Gena Brock, Clerk and Master  
Martha Bumbalough, Register of Deeds  
Steve Page, Sheriff  
Chad Marcum, Director of Finance

#### **Board of County Commissioners**

Cain Rogers, Chairman  
Terry Alley  
T.K. Austin  
Dale Bennett  
Lee Broyles  
Lonnie Crouch  
Andy Haston

Roger Mason  
Robert McCormick  
Bobby McCulley  
Stanley Neal  
Dillard Quick  
Lanny Selby  
Dakota White

#### **Board of Education**

Jayson McDonald, Chairman  
David McCulley  
Kay Prater  
Kenneth Robinson

Janet Webb  
Robert Young  
Vacant

#### **Financial Management Committee**

Bobby McCulley, Chairman  
Denny Wayne Robinson, County Executive  
Clay Parker, Road Superintendent  
Kurt Dronebarger, Director of Schools  
Lee Broyles  
Dillard Quick  
Lanny Selby

#### **Audit Committee**

Stanley Neal, Chairman  
Andy Haston  
Roger Mason  
Vanessa O'Neal  
Cain Rogers



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## FINANCIAL SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

## Independent Auditor's Report

White County Executive and  
Board of County Commissioners  
White County, Tennessee

To the County Executive and Board of County Commissioners:

### **Report on the Financial Statements**

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise the county's basic financial statements as listed in the table of contents.

### ***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditor's Responsibility***

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the

entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Opinions***

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of June 30, 2020, and the respective changes in financial position and, where applicable, cash flows thereof, and the respective budgetary comparison for the General and Highway/Public Works funds for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### ***Other Matters***

#### ***Required Supplementary Information***

Management has omitted the management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinion on the basic financial statements is not affected by this missing information.

Accounting principles generally accepted in the United States of America require that the schedule of changes in the county's net pension liability and related ratios, schedules of county and school contributions, schedule of school's proportionate share of the net pension liability, and schedule of school's changes in total OPEB liability and related ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited

procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### *Supplementary and Other Information*

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise White County's basic financial statements. The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), miscellaneous schedules, and the other information such as the introductory section and management's corrective action plan are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal awards is also presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, and is not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, budgetary comparison schedules of nonmajor governmental funds and the General Debt Service Fund, combining and individual fund financial statements of the White County School Department (a discretely presented component unit), schedule of expenditures of federal awards, and miscellaneous schedules, are fairly stated in all material respects in relation to the basic financial statements as a whole.

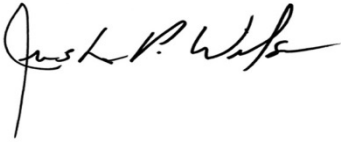
The introductory section has not been subjected to the auditing procedures applied in the audit of the basic financial statements, and accordingly, we do not express an opinion or provide any assurance on it.

### **Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated October 26, 2020, on our consideration of White County's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations,

contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of White County's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering White County's internal control over financial reporting and compliance.

Very truly yours,

A handwritten signature in black ink, appearing to read "Justin P. Wilson". The signature is fluid and cursive, with a long, sweeping underline.

Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 26, 2020

JPW/yu

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## BASIC FINANCIAL STATEMENTS

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## Exhibit A

White County, Tennessee  
Statement of Net Position  
June 30, 2020

	Primary Government			Component Unit
	Governmental	Business-type		White
	Activities	Activities	Total	County
				School
				Department
<u>ASSETS</u>				
Cash	\$ 144,425	\$ 113,507	\$ 257,932	\$ 0
Equity in Pooled Cash and Investments	6,032,016	322,805	6,354,821	10,765,968
Accounts Receivable	2,425,306	106,979	2,532,285	310
Allowance for Uncollectibles	(1,926,201)	(3,587)	(1,929,788)	0
Due from Other Governments	1,988,358	0	1,988,358	689,357
Due from Component Units	17,010	0	17,010	0
Property Taxes Receivable	7,676,974	0	7,676,974	3,828,960
Allowance for Uncollectible Property Taxes	(198,669)	0	(198,669)	(104,648)
Notes Receivable - Long-term	214,764	0	214,764	0
Restricted Assets:				
Amounts Accumulated for Pension Benefits	0	0	0	91,828
Net Pension Asset - Agent Plan	70,109	3,513	73,622	50,509
Net Pension Asset - Teacher Retirement Plans	0	0	0	111,514
Net Pension Asset - Teacher Legacy Retirement Plan	0	0	0	4,348,281
Capital Assets:				
Assets Not Depreciated:				
Land	58,994	596,203	655,197	1,609,892
Construction in Progress	1,912,536	0	1,912,536	0
Assets Net of Accumulated Depreciation:				
Buildings and Improvements	6,565,123	596,415	7,161,538	47,303,902
Infrastructure	10,247,294	0	10,247,294	0
Other Capital Assets	1,350,368	716,792	2,067,160	1,223,842
Total Assets	\$ 36,578,407	\$ 2,452,627	\$ 39,031,034	\$ 69,919,715

(Continued)

## Exhibit A

White County, Tennessee  
Statement of Net Position (Cont.)

	Primary Government			Component Unit
	Governmental	Business-type		White
	Activities	Activities	Total	County
				School
				Department
<u>DEFERRED OUTFLOWS OF RESOURCES</u>				
Pension Changes in Experience	\$ 386,188	\$ 19,350	\$ 405,538	\$ 494,553
Pension Changes in Assumptions	239,075	11,979	251,054	762,065
Pensions - Changes in Proportionate Share	0	0	0	109,823
Pension Changes in Contributions after Measurement Date	458,074	21,448	479,522	1,862,784
OPEB Changes in Experience	0	0	0	613,158
OPEB Changes in Assumptions	0	0	0	57,282
OPEB Contributions after Measurement Date	0	0	0	218,633
Total Deferred Outflows of Resources	<u>\$ 1,083,337</u>	<u>\$ 52,777</u>	<u>\$ 1,136,114</u>	<u>\$ 4,118,298</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 77,950	\$ 0	\$ 77,950	\$ 153
Accrued Interest Payable	55,632	0	55,632	0
Payroll Deductions Payable	0	0	0	573,303
Contracts Payable	456,063	0	456,063	42,480
Retainage Payable	12,402	0	12,402	2,236
Due to Primary Government	0	0	0	17,010
Due to Litigants, Heirs, and Others	2,529	0	2,529	0
Due to State of Tennessee	10,649	4,998	15,647	0
Noncurrent Liabilities:				
Due Within One Year - Debt	780,000	66,437	846,437	0
Due Within One Year - Other	0	93,727	93,727	107,230
Due in More Than One Year - Debt	18,359,106	265,750	18,624,856	0
Due in More Than One Year - Other	0	6,436,092	6,436,092	3,712,736
Total Liabilities	<u>\$ 19,754,331</u>	<u>\$ 6,867,004</u>	<u>\$ 26,621,335</u>	<u>\$ 4,455,148</u>

(Continued)



Exhibit A

White County, Tennessee  
Statement of Net Position (Cont.)

	Primary Government			Component Unit
	Governmental	Business-type		White
	Activities	Activities	Total	County
				School
				Department
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 7,296,602	\$ 0	\$ 7,296,602	\$ 3,621,671
Pension Changes in Experience	131,468	6,587	138,055	2,770,197
Pension Change in Investment Earnings	173,432	8,690	182,122	1,372,049
Pensions - Changes in Proportionate Share	0	0	0	17,190
OPEB Changes in Experience	0	0	0	383,515
OPEB Changes in Assumptions	0	0	0	372,822
OPEB - Changes in Proportionate Share	0	0	0	62,186
Total Deferred Inflows of Resources	<u>\$ 7,601,502</u>	<u>\$ 15,277</u>	<u>\$ 7,616,779</u>	<u>\$ 8,599,630</u>
<u>NET POSITION</u>				
Net Investment in Capital Assets	\$ 19,799,315	\$ 1,577,223	\$ 21,376,538	\$ 50,137,636
Restricted for:				
General Government	661,951	0	661,951	0
Finance	73,519	0	73,519	0
Administration of Justice	452,325	0	452,325	0
Public Safety	243,739	0	243,739	0
Public Health and Welfare	61,091	0	61,091	0
Social, Cultural, and Recreational Services	5,035	0	5,035	0
Highway/Public Works	1,282,748	0	1,282,748	0
Capital Projects	62,300	0	62,300	0
Education	176,698	0	176,698	1,186,928
Pensions	70,109	3,513	73,622	4,602,132
Unrestricted	(12,582,919)	(5,957,613)	(18,540,532)	5,056,539
Total Net Position	<u>\$ 10,305,911</u>	<u>\$ (4,376,877)</u>	<u>\$ 5,929,034</u>	<u>\$ 60,983,235</u>

The notes to the financial statements are an integral part of this statement.

Exhibit B

White County, Tennessee  
Statement of Activities  
For the Year Ended June 30, 2020

					Net (Expense) Revenue and Changes in Net Position				
					Primary Government			Component Unit	
					Total	Business-		White	
					Governmental	type		County	
					Activities	Activities	Total	School	
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions				Department	
Primary Government:									
Governmental Activities:									
General Government	\$ 3,166,059	\$ 646,163	\$ 395,652	\$ 194,872	\$ (1,929,372)	\$ 0	\$ (1,929,372)	\$	0
Finance	1,183,702	653,295	7,715	0	(522,692)	0	(522,692)		0
Administration of Justice	983,413	542,985	118,796	0	(321,632)	0	(321,632)		0
Public Safety	5,847,685	777,793	95,281	0	(4,974,611)	0	(4,974,611)		0
Public Health and Welfare	2,479,119	1,665,358	452,004	0	(361,757)	0	(361,757)		0
Social, Cultural, and Recreational Services	392,120	4,370	16,867	0	(370,883)	0	(370,883)		0
Agriculture and Natural Resources	108,550	0	0	0	(108,550)	0	(108,550)		0
Highways/Public Works	1,631,796	1,376	2,392,643	2,176,738	2,938,961	0	2,938,961		0
Interest on Long-term Debt	754,094	0	0	0	(754,094)	0	(754,094)		0
Total Governmental Activities	\$ 16,546,538	\$ 4,291,340	\$ 3,478,958	\$ 2,371,610	\$ (6,404,630)	\$ 0	\$ (6,404,630)	\$	0
Business-type Activities:									
Solid Waste Disposal	\$ 1,642,833	\$ 1,398,524	\$ 61,000	\$ 0	\$ 0	\$ (183,309)	\$ (183,309)	\$	0
Total Primary Government	\$ 18,189,371	\$ 5,689,864	\$ 3,539,958	\$ 2,371,610	\$ (6,404,630)	\$ (183,309)	\$ (6,587,939)	\$	0
Component Unit:									
School Department	\$ 37,283,429	\$ 350,109	\$ 4,253,764	\$ 31,823	\$ 0	\$ 0	\$ 0	\$	(32,647,733)
Total Component Unit	\$ 37,283,429	\$ 350,109	\$ 4,253,764	\$ 31,823	\$ 0	\$ 0	\$ 0	\$	(32,647,733)

(Continued)

Exhibit B

White County, Tennessee  
Statement of Activities (Cont.)

					Net (Expense) Revenue and Changes in Net Position			
								Component Unit
					Primary Government			White
					Total	Business-		County
					Governmental	type		School
Functions/Programs	Expenses	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Activities	Activities	Total	Department
General Revenues:								
Taxes:								
Property Taxes Levied for General Purposes					\$ 5,921,371	\$ 0	\$ 5,921,371	\$ 3,417,684
Property Taxes Levied for Debt Service					55,163	0	55,163	0
Local Option Sales Taxes					1,807,212	0	1,807,212	1,885,263
Litigation Tax					197,068	0	197,068	0
Wholesale Beer Tax					162,542	0	162,542	0
Mixed Drink Tax					1,139	0	1,139	3,476
Mineral Severance Tax					60,650	0	60,650	0
Business Tax					255,117	0	255,117	0
Wheel Tax					247,979	0	247,979	785,265
Other Local Taxes					21,572	0	21,572	0
Grants and Contributions Not Restricted to Specific Programs					2,040,519	0	2,040,519	24,693,905
Unrestricted Investment Earnings					290,358	0	290,358	2,863
Sale of Equipment					68,613	0	68,613	9,405
Miscellaneous					34,629	0	34,629	43,849
Total General Revenues					\$ 11,163,932	\$ 0	\$ 11,163,932	\$ 30,841,710
Insurance Recovery					\$ 31,622	\$ 0	\$ 31,622	\$ 64,395
Change in Net Position					\$ 4,790,924	\$ (183,309)	\$ 4,607,615	\$ (1,741,628)
Net Position, July 1, 2019					5,514,987	(4,193,568)	1,321,419	62,724,863
Net Position, June 30, 2020					\$ 10,305,911	\$ (4,376,877)	\$ 5,929,034	\$ 60,983,235

The notes to the financial statements are an integral part of this statement.

## Exhibit C-1

White County, Tennessee  
 Balance Sheet  
 Governmental Funds  
 June 30, 2020

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>					
Cash	\$ 143,094	\$ 0	\$ 36	\$ 1,295	\$ 144,425
Equity in Pooled Cash and Investments	2,893,517	1,090,456	1,206,496	841,547	6,032,016
Accounts Receivable	2,408,732	0	2,857	13,717	2,425,306
Allowance for Uncollectibles	(1,926,201)	0	0	0	(1,926,201)
Due from Other Governments	506,154	370,575	226,582	885,047	1,988,358
Due from Other Funds	15,242	0	0	0	15,242
Due from Component Units	17,010	0	0	0	17,010
Property Taxes Receivable	7,134,245	0	542,729	0	7,676,974
Allowance for Uncollectible Property Taxes	(189,926)	0	(8,743)	0	(198,669)
Notes Receivable - Long-term	0	0	0	214,764	214,764
Total Assets	<u>\$ 11,001,867</u>	<u>\$ 1,461,031</u>	<u>\$ 1,969,957</u>	<u>\$ 1,956,370</u>	<u>\$ 16,389,225</u>
<u>LIABILITIES</u>					
Accounts Payable	\$ 53,600	\$ 0	\$ 1,950	\$ 22,400	\$ 77,950
Contracts Payable	0	0	0	456,063	456,063
Retainage Payable	0	0	0	12,402	12,402
Due to Other Funds	0	0	230	15,012	15,242
Due to State of Tennessee	10,649	0	0	0	10,649
Due to Litigants, Heirs, and Others	0	0	0	2,529	2,529
Total Liabilities	<u>\$ 64,249</u>	<u>\$ 0</u>	<u>\$ 2,180</u>	<u>\$ 508,406</u>	<u>\$ 574,835</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>					
Deferred Current Property Taxes	\$ 6,764,003	\$ 0	\$ 532,599	\$ 0	\$ 7,296,602

(Continued)

Exhibit C-1

White County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>DEFERRED INFLOWS OF RESOURCES (Cont.)</u>					
Deferred Delinquent Property Taxes	\$ 172,837	\$ 0	\$ 1,330	\$ 0	\$ 174,167
Other Deferred/Unavailable Revenue	263,475	176,128	113,269	0	552,872
Total Deferred Inflows of Resources	<u>\$ 7,200,315</u>	<u>\$ 176,128</u>	<u>\$ 647,198</u>	<u>\$ 0</u>	<u>\$ 8,023,641</u>
<u>FUND BALANCES</u>					
Restricted:					
Restricted for General Government	\$ 56,391	\$ 0	\$ 0	\$ 0	\$ 56,391
Restricted for Finance	73,519	0	0	0	73,519
Restricted for Administration of Justice	452,325	0	0	0	452,325
Restricted for Public Safety	21,616	0	0	222,123	243,739
Restricted for Public Health and Welfare	61,091	0	0	0	61,091
Restricted for Social, Cultural, and Recreational Services	5,035	0	0	0	5,035
Restricted for Other Operations	0	0	0	605,560	605,560
Restricted for Highways/Public Works	0	548,639	0	557,981	1,106,620
Restricted for Education	0	0	116,521	0	116,521
Restricted for Capital Projects	0	0	0	62,300	62,300
Committed:					
Committed for Social, Cultural, and Recreational Services	179,104	0	0	0	179,104
Committed for Other Operations	24,014	0	0	0	24,014
Committed for Highways/Public Works	0	736,264	0	0	736,264
Committed for Debt Service	0	0	1,204,058	0	1,204,058
Assigned:					
Assigned for General Government	179,506	0	0	0	179,506
Assigned for Finance	19,700	0	0	0	19,700
Assigned for Administration of Justice	1,470	0	0	0	1,470

(Continued)

Exhibit C-1

White County, Tennessee  
Balance Sheet  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>FUND BALANCES (Cont.)</u>					
Assigned (Cont.):					
Assigned for Public Safety	\$ 63,878	\$ 0	\$ 0	\$ 0	\$ 63,878
Assigned for Public Health and Welfare	257,914	0	0	0	257,914
Assigned for Social, Cultural, and Recreational Services	16,962	0	0	0	16,962
Assigned for Other Operations	91,445	0	0	0	91,445
Unassigned	2,233,333	0	0	0	2,233,333
Total Fund Balances	<u>\$ 3,737,303</u>	<u>\$ 1,284,903</u>	<u>\$ 1,320,579</u>	<u>\$ 1,447,964</u>	<u>\$ 7,790,749</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 11,001,867</u>	<u>\$ 1,461,031</u>	<u>\$ 1,969,957</u>	<u>\$ 1,956,370</u>	<u>\$ 16,389,225</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-2

White County, Tennessee  
Reconciliation of the Balance Sheet of Governmental  
Funds to the Statement of Net Position  
June 30, 2020

Amounts reported for governmental activities in the statement  
of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit C-1)		\$	7,790,749
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.			
Add: land	\$	58,994	
Add: construction in progress		1,912,536	
Add: buildings and improvements net of accumulated depreciation		6,565,123	
Add: infrastructure net of accumulated depreciation		10,247,294	
Add: other capital assets net of accumulated depreciation		<u>1,350,368</u>	20,134,315
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.			
Less: bonds payable	\$	(18,705,000)	
Less: accrued interest on bonds		(55,632)	
Less: other deferred revenue - premium on debt		<u>(434,106)</u>	(19,194,738)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be amortized and recognized as components of pensions expense in future years.			
Add: deferred outflows of resources related to pensions	\$	1,083,337	
Less: deferred inflows of resources related to pensions		<u>(304,900)</u>	778,437
(4) Net pension assets of the agent plan are not current financial resources and therefore are not reported in the governmental funds.			70,109
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.			<u>727,039</u>
Net position of governmental activities (Exhibit A)		\$	<u><u>10,305,911</u></u>

The notes to the financial statements are an integral part of this statement.

## Exhibit C-3

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds  
For the Year Ended June 30, 2020

	Major Funds			Nonmajor Funds	Total Governmental Funds
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	
<u>Revenues</u>					
Local Taxes	\$ 7,401,939	\$ 246,634	\$ 1,296,251	\$ 0	\$ 8,944,824
Licenses and Permits	124,506	0	0	0	124,506
Fines, Forfeitures, and Penalties	194,283	0	0	40,302	234,585
Charges for Current Services	2,054,808	1,376	0	0	2,056,184
Other Local Revenues	143,900	37,395	288,511	7,251	477,057
Fees Received From County Officials	1,152,078	0	0	0	1,152,078
State of Tennessee	1,401,391	3,040,263	3,516	513,509	4,958,679
Federal Government	602,482	0	0	1,111,513	1,713,995
Other Governments and Citizens Groups	91,669	0	1,200,000	57,981	1,349,650
Total Revenues	\$ 13,167,056	\$ 3,325,668	\$ 2,788,278	\$ 1,730,556	\$ 21,011,558
<u>Expenditures</u>					
Current:					
General Government	\$ 1,689,462	\$ 0	\$ 0	\$ 0	\$ 1,689,462
Finance	1,183,702	0	0	0	1,183,702
Administration of Justice	983,413	0	0	0	983,413
Public Safety	5,826,740	0	0	56,098	5,882,838
Public Health and Welfare	2,256,568	0	0	0	2,256,568
Social, Cultural, and Recreational Services	392,120	0	0	0	392,120
Agriculture and Natural Resources	108,550	0	0	0	108,550
Other Operations	1,348,911	0	0	331	1,349,242
Highways	0	2,928,635	0	0	2,928,635
Debt Service:					
Principal on Debt	0	0	2,085,000	0	2,085,000
Interest on Debt	0	0	761,959	0	761,959
Other Debt Service	0	0	21,101	0	21,101

(Continued)



Exhibit C-3

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Governmental Funds (Cont.)

	Major Funds			Nonmajor Funds	
	General	Highway / Public Works	General Debt Service	Other Govern- mental Funds	Total Governmental Funds
<u>Expenditures (Cont.)</u>					
Capital Projects	\$ 0	\$ 0	\$ 0	\$ 1,651,802	\$ 1,651,802
Total Expenditures	\$ 13,789,466	\$ 2,928,635	\$ 2,868,060	\$ 1,708,231	\$ 21,294,392
 Excess (Deficiency) of Revenues Over Expenditures	 \$ (622,410)	 \$ 397,033	 \$ (79,782)	 \$ 22,325	 \$ (282,834)
 <u>Other Financing Sources (Uses)</u>					
Insurance Recovery	\$ 6,352	\$ 25,270	\$ 0	\$ 0	\$ 31,622
Transfers In	258,805	0	0	89,080	347,885
Transfers Out	(89,080)	(211,000)	0	(47,805)	(347,885)
Total Other Financing Sources (Uses)	\$ 176,077	\$ (185,730)	\$ 0	\$ 41,275	\$ 31,622
 Net Change in Fund Balances	 \$ (446,333)	 \$ 211,303	 \$ (79,782)	 \$ 63,600	 \$ (251,212)
Fund Balance, July 1, 2019	4,183,636	1,073,600	1,400,361	1,384,364	8,041,961
 Fund Balance, June 30, 2020	 \$ 3,737,303	 \$ 1,284,903	 \$ 1,320,579	 \$ 1,447,964	 \$ 7,790,749

The notes to the financial statements are an integral part of this statement.

Exhibit C-4

White County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures, and  
Changes in Fund Balances of Governmental Funds to the  
Statement of Activities  
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit C-3)		\$	(251,212)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	3,821,498	
Less: current-year depreciation expense		<u>(869,066)</u>	2,952,432
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(5,740)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$	727,039	
Less: deferred delinquent property taxes and other deferred June 30, 2019		<u>(814,291)</u>	(87,252)
(4) The issuance of long-term debt (e.g., bonds, notes, other loans, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the effect of these differences in the treatment of long-term debt and related items:			
Add: change in premium on debt issuance	\$	28,649	
Add: principal payments on bonds		<u>2,085,000</u>	2,113,649
(5) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in accrued interest payable	\$	7,865	
Change in net pension liability/asset		(151,131)	
Change in deferred outflows related to pensions		226,996	
Change in deferred inflows related to pensions		<u>(14,683)</u>	69,047
Change in net position of governmental activities (Exhibit B)			<u>\$ 4,790,924</u>

The notes to the financial statements are an integral part of this statement.

Exhibit C-5

White County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 7,401,939	\$ 0	\$ 0	\$ 7,401,939	\$ 7,699,306	\$ 7,699,306	\$ (297,367)
Licenses and Permits	124,506	0	0	124,506	124,500	124,500	6
Fines, Forfeitures, and Penalties	194,283	0	0	194,283	189,100	189,100	5,183
Charges for Current Services	2,054,808	0	0	2,054,808	1,836,968	1,976,968	77,840
Other Local Revenues	143,900	0	0	143,900	107,700	130,948	12,952
Fees Received From County Officials	1,152,078	0	0	1,152,078	1,099,000	1,099,000	53,078
State of Tennessee	1,401,391	0	0	1,401,391	1,323,688	1,530,225	(128,834)
Federal Government	602,482	0	0	602,482	178,500	924,232	(321,750)
Other Governments and Citizens Groups	91,669	0	0	91,669	102,500	173,743	(82,074)
Total Revenues	\$ 13,167,056	\$ 0	\$ 0	\$ 13,167,056	\$ 12,661,262	\$ 13,848,022	\$ (680,966)
<u>Expenditures</u>							
<u>General Government</u>							
County Commission	\$ 77,776	\$ 0	\$ 0	\$ 77,776	\$ 66,820	\$ 86,820	\$ 9,044
County Mayor/Executive	160,128	(273)	0	159,855	184,780	184,780	24,925
County Attorney	26,910	0	0	26,910	26,911	26,911	1
Election Commission	415,320	(2,593)	0	412,727	391,757	458,137	45,410
Register of Deeds	199,395	(450)	2,003	200,948	207,773	219,773	18,825
Development	24,002	0	0	24,002	35,000	35,000	10,998
Codes Compliance	0	0	0	0	0	80,000	80,000
County Buildings	724,769	(115,889)	41,025	649,905	646,325	719,130	69,225
Preservation of Records	61,162	0	0	61,162	64,934	66,934	5,772
<u>Finance</u>							
Accounting and Budgeting	412,973	(8,350)	19,700	424,323	405,792	445,892	21,569
Property Assessor's Office	239,997	0	0	239,997	246,338	252,838	12,841
Reappraisal Program	51,550	0	0	51,550	48,529	52,529	979
County Trustee's Office	217,831	0	0	217,831	211,866	220,866	3,035
County Clerk's Office	261,351	0	0	261,351	288,964	303,964	42,613
<u>Administration of Justice</u>							
Circuit Court	371,495	0	0	371,495	384,505	384,505	13,010

(Continued)

Exhibit C-5

White County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Administration of Justice (Cont.)</u>							
General Sessions Court	\$ 241,226	\$ 0	\$ 0	\$ 241,226	\$ 243,298	\$ 243,298	\$ 2,072
Drug Court	61,243	0	0	61,243	63,500	63,500	2,257
Chancery Court	196,576	(2,626)	1,070	195,020	200,448	202,448	7,428
Judicial Commissioners	73,377	0	400	73,777	74,179	77,659	3,882
Other Administration of Justice	5,224	0	0	5,224	17,600	17,600	12,376
Courtroom Security	34,272	0	0	34,272	23,099	37,299	3,027
<u>Public Safety</u>							
Sheriff's Department	2,617,101	(88,591)	54,166	2,582,676	2,591,798	2,697,402	114,726
Traffic Control	27,677	0	0	27,677	31,500	31,500	3,823
Jail	2,566,019	(447)	9,712	2,575,284	2,547,958	2,762,758	187,474
Juvenile Services	56,179	0	0	56,179	56,963	56,963	784
Fire Prevention and Control	231,866	0	0	231,866	253,898	253,898	22,032
Civil Defense	4,174	0	0	4,174	7,400	8,400	4,226
Rescue Squad	23,672	0	0	23,672	27,717	27,717	4,045
County Coroner/Medical Examiner	90,942	0	0	90,942	74,370	94,370	3,428
Other Public Safety	209,110	0	0	209,110	219,110	219,110	10,000
<u>Public Health and Welfare</u>							
Local Health Center	215,405	0	0	215,405	249,384	263,384	47,979
Rabies and Animal Control	109,000	0	0	109,000	120,195	120,195	11,195
Ambulance/Emergency Medical Services	1,759,367	(40,995)	257,914	1,976,286	1,668,646	2,251,171	274,885
Sanitation Education/Information	36,194	0	7,012	43,206	44,200	44,200	994
Waste Pickup	84,055	0	0	84,055	104,796	104,796	20,741
Landfill Operation and Maintenance	52,547	0	0	52,547	53,800	53,800	1,253
<u>Social, Cultural, and Recreational Services</u>							
Senior Citizens Assistance	43,000	0	0	43,000	43,000	43,000	0
Libraries	235,631	0	0	235,631	239,969	248,469	12,838
Parks and Fair Boards	99,624	(32,000)	9,950	77,574	86,000	106,000	28,426
Other Social, Cultural, and Recreational	13,865	0	0	13,865	20,000	20,000	6,135

(Continued)

Exhibit C-5

White County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
General Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Agriculture and Natural Resources</u>							
Agricultural Extension Service	\$ 77,665	\$ 0	\$ 0	\$ 77,665	\$ 98,610	\$ 98,610	\$ 20,945
Forest Service	2,000	0	0	2,000	2,000	2,000	0
Soil Conservation	28,885	0	0	28,885	28,750	29,250	365
<u>Other Operations</u>							
Tourism	0	0	0	0	8,000	8,000	8,000
Industrial Development	491,236	(5,000)	3,030	489,266	168,711	618,711	129,445
Other Economic and Community Development	24,280	0	25,720	50,000	0	50,000	0
Airport	28,000	0	0	28,000	28,000	28,000	0
Veterans' Services	55,087	0	1,544	56,631	57,668	58,168	1,537
Other Charges	473,838	0	0	473,838	501,590	509,590	35,752
Contributions to Other Agencies	42,361	0	0	42,361	44,648	44,648	2,287
Employee Benefits	42,558	0	0	42,558	69,650	69,650	27,092
COVID-19 Grant J	27,957	0	0	27,957	0	27,957	0
Miscellaneous	163,594	0	0	163,594	150,000	175,000	11,406
Total Expenditures	\$ 13,789,466	\$ (297,214)	\$ 433,246	\$ 13,925,498	\$ 13,430,749	\$ 15,306,600	\$ 1,381,102
Excess (Deficiency) of Revenues Over Expenditures	\$ (622,410)	\$ 297,214	\$ (433,246)	\$ (758,442)	\$ (769,487)	\$ (1,458,578)	\$ 700,136
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 6,352	\$ 0	\$ 0	\$ 6,352	\$ 0	\$ 0	\$ 6,352
Transfers In	258,805	0	0	258,805	211,144	258,949	(144)
Transfers Out	(89,080)	0	0	(89,080)	0	(89,080)	0
Total Other Financing Sources	\$ 176,077	\$ 0	\$ 0	\$ 176,077	\$ 211,144	\$ 169,869	\$ 6,208
Net Change in Fund Balance	\$ (446,333)	\$ 297,214	\$ (433,246)	\$ (582,365)	\$ (558,343)	\$ (1,288,709)	\$ 706,344
Fund Balance, July 1, 2019	4,183,636	(297,214)	0	3,886,422	4,183,635	4,183,635	(297,213)
Fund Balance, June 30, 2020	\$ 3,737,303	\$ 0	\$ (433,246)	\$ 3,304,057	\$ 3,625,292	\$ 2,894,926	\$ 409,131

The notes to the financial statements are an integral part of this statement.

Exhibit C-6

White County, Tennessee  
Statement of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Highway/Public Works Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 246,634	\$ 0	\$ 0	\$ 246,634	\$ 120,630	\$ 120,630	\$ 126,004
Charges for Current Services	1,376	0	0	1,376	10,000	10,000	(8,624)
Other Local Revenues	37,395	0	0	37,395	12,000	40,000	(2,605)
State of Tennessee	3,040,263	0	0	3,040,263	2,456,008	3,252,912	(212,649)
Total Revenues	\$ 3,325,668	\$ 0	\$ 0	\$ 3,325,668	\$ 2,598,638	\$ 3,423,542	\$ (97,874)
<u>Expenditures</u>							
<u>Highways</u>							
Administration	\$ 183,945	\$ 0	\$ 0	\$ 183,945	\$ 190,925	\$ 190,925	\$ 6,980
Highway and Bridge Maintenance	1,650,352	(10,000)	0	1,640,352	1,811,063	1,841,063	200,711
Operation and Maintenance of Equipment	64,008	0	0	64,008	141,000	141,000	76,992
Other Charges	90,475	0	0	90,475	91,175	97,175	6,700
Employee Benefits	7,836	0	0	7,836	17,600	17,600	9,764
Capital Outlay	932,019	0	5,821	937,840	340,000	1,172,145	234,305
Total Expenditures	\$ 2,928,635	\$ (10,000)	\$ 5,821	\$ 2,924,456	\$ 2,591,763	\$ 3,459,908	\$ 535,452
Excess (Deficiency) of Revenues Over Expenditures	\$ 397,033	\$ 10,000	\$ (5,821)	\$ 401,212	\$ 6,875	\$ (36,366)	\$ 437,578
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 25,270	\$ 0	\$ 0	\$ 25,270	\$ 0	\$ 0	\$ 25,270
Transfers Out	(211,000)	0	0	(211,000)	(211,000)	(211,000)	0
Total Other Financing Sources	\$ (185,730)	\$ 0	\$ 0	\$ (185,730)	\$ (211,000)	\$ (211,000)	\$ 25,270
Net Change in Fund Balance	\$ 211,303	\$ 10,000	\$ (5,821)	\$ 215,482	\$ (204,125)	\$ (247,366)	\$ 462,848
Fund Balance, July 1, 2019	1,073,600	(10,000)	0	1,063,600	1,073,600	1,073,600	(10,000)
Fund Balance, June 30, 2020	\$ 1,284,903	\$ 0	\$ (5,821)	\$ 1,279,082	\$ 869,475	\$ 826,234	\$ 452,848

The notes to the financial statements are an integral part of this statement.

Exhibit D-1

White County, Tennessee  
Statement of Net Position  
Proprietary Fund  
June 30, 2020

	Business-type Activities - Major Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>ASSETS</u>	
Current Assets:	
Cash	\$ 113,507
Equity in Pooled Cash and Investments	322,805
Accounts Receivable	106,979
Allowance for Uncollectibles	(3,587)
Total Current Assets	<u>\$ 539,704</u>
Noncurrent Assets:	
Net Pension Asset	\$ 3,513
Capital Assets:	
Assets Not Depreciated:	
Land	596,203
Assets Net of Accumulated Depreciation:	
Buildings and Improvements	596,415
Other Capital Assets	716,792
Total Noncurrent Assets	<u>\$ 1,912,923</u>
Total Assets	<u>\$ 2,452,627</u>
<u>DEFERRED OUTFLOWS OF RESOURCES</u>	
Deferred Outflows of Resources:	
Pension Changes in Experience	\$ 19,350
Pension Changes in Assumptions	11,979
Pension Contributions After Measurement Date	21,448
Total Deferred Outflows of Resources	<u>\$ 52,777</u>
Total Assets and Deferred Outflows of Resources	<u>\$ 2,505,404</u>

(Continued)

Exhibit D-1

White County, Tennessee  
Statement of Net Position  
Proprietary Fund (Cont.)

	Business-type Activities - Enterprise Fund
	<u>Solid Waste Disposal Fund</u>
<u>LIABILITIES</u>	
Current Liabilities:	
Due to State of Tennessee	\$ 4,998
Capital Outlay Notes Payable	66,437
Accrued Liability for Landfill Closure/Postclosure Care Costs - Current	<u>93,727</u>
Total Current Liabilities	<u>\$ 165,162</u>
Noncurrent Liabilities:	
Accrued Liability for Landfill Closure/Postclosure Care Costs	\$ 6,436,092
Capital Outlay Notes Payable - Long-term	<u>265,750</u>
Total Noncurrent Liabilities	<u>\$ 6,701,842</u>
Total Liabilities	<u>\$ (6,867,004)</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>	
Deferred Inflows of Resources:	
Pension Changes in Experience	\$ 6,587
Pension Changes in Investment Earnings	<u>8,690</u>
Total Deferred Inflows of Resources	<u>\$ 15,277</u>
<u>NET POSITION</u>	
Unrestricted	\$ (5,957,613)
Net Investment in Capital Assets	1,577,223
Restricted	<u>3,513</u>
Total Net Position	<u>\$ (4,376,877)</u>

The notes to the financial statements are an integral part of this statement.



Exhibit D-2

White County, Tennessee  
Statement of Revenues, Expenses, and Changes  
in Net Position  
Proprietary Funds  
For the Year Ended June 30, 2020

	Business-type Activities - Major Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Central Service Fund
<u>Operating Revenues</u>		
Charges for Services	\$ 1,328,517	\$ 0
Other Local Revenue	35,354	383,505
Total Operating Revenues	<u>\$ 1,363,871</u>	<u>\$ 383,505</u>
<u>Operating Expenses</u>		
Salaries and Benefits	\$ 571,676	\$ 0
Communications	6,299	0
Contracts with Private Agencies	40,861	0
Engineering Services	104,791	0
Evaluation and Testing	660	0
Maintenance Agreements	1,200	0
Maintenance and Repair Services - Buildings	1,979	0
Maintenance and Repair Services - Equipment	42,780	0
Travel	99	0
Permits	29,463	0
Diesel Fuel	89,617	229,882
Equipment and Machinery Parts	75,833	0
Garage Supplies	20,175	0
Gasoline	5,567	153,623
Lubricants	9,137	0
Office Supplies	2,048	0
Small Tools	211	0
Tires and Tubes	27,134	0
Uniforms	15,823	0
Utilities	26,518	0
Gravel and Chert	15,431	0
Supplies and Material	14,870	0
Building and Contents Insurance	1,527	0
Trustee's Commission	13,493	0
Refunds	200	0
Vehicle and Equipment Insurance	16,647	0

(Continued)

Exhibit D-2

White County, Tennessee  
Statement of Revenues, Expenses, and Changes  
in Net Position  
Proprietary Funds (Cont.)

	Business-type Activities - Major Enterprise Fund	Governmental Activities - Internal Service Fund
	Solid Waste Disposal Fund	Central Service Fund
Workers' Compensation Insurance	\$ 16,006	\$ 0
Liability Insurance	18,479	0
Depreciation	141,177	0
Landfill Closure/Postclosure Care Costs	122,017	0
In-service/Staff Development	1,050	0
Consultants	2,687	0
Site Development	76,554	0
Data Processing Equipment	1,329	
Solid Waste Equipment	113,957	0
Total Operating Expenses	\$ 1,627,295	\$ 383,505
Operating Income (Loss)	\$ (263,424)	\$ 0
Nonoperating Revenues (Expenses)		
Gain on Disposal of Property	\$ 34,653	\$ 0
Grants	61,000	
Loss on Disposal of Property	(5,214)	
Interest on Notes	(10,324)	0
Total Nonoperating Revenues (Expenses)	\$ 80,115	\$ 0
Change in Net Position	\$ (183,309)	\$ 0
Net Position, June 30, 2019	(4,193,568)	0
Net Position, June 30, 2020	\$ (4,376,877)	\$ 0

The notes to the financial statements are an integral part of this statement.

## Exhibit D-3

White County, Tennessee  
Statement of Cash Flows  
Proprietary Funds  
For the Year Ended June 30, 2020

	Business-type Activities - Major Enterprise Fund Solid Waste Disposal Fund	Governmental Activities - Internal Service Fund Central Service Fund
<u>Cash Flows from Operating Activities</u>		
Receipts from Customers and Users	\$ 1,393,345	\$ 383,505
Payments to Vendors	(906,670)	(383,505)
Payments to Employees	(573,760)	0
Other Payments	(13,493)	0
Net Cash Provided By (Used In) Operating Activities	\$ (100,578)	\$ 0
<u>Cash Flows from Noncapital Financing Activities</u>		
Grants Received	\$ 61,000	\$ 0
Net Cash Provided By (Used In) Noncapital Financing Activities	\$ 61,000	\$ 0
<u>Cash Flows from Capital and Related Financing Activities</u>		
Acquisition of Capital Assets	\$ (50,000)	\$ 0
Sale of Equipment	34,653	0
Proceeds from the Sale of Capital Assets	80,664	0
Principal Paid on Capital Outlay Notes	\$ (66,437)	\$ 0
Interest Paid on Capital Outlay Notes	(10,324)	0
Net Cash Provided By (Used In) Capital and Related Financing Activities	\$ (11,444)	\$ 0
Net Increase (Decrease) in Cash	\$ (51,022)	\$ 0
Cash, July 1, 2019	487,334	0
Cash, June 30, 2020	\$ 436,312	\$ 0
<u>Reconciliation of Net Operating Income (Loss) to Net Cash Provided By (Used In) Operating Activities</u>		
Operating Income (Loss)	\$ (263,424)	\$ 0
Adjustment to Reconcile Net Operating Income to Net Cash Provided By (Used In) Operating Activities:		
Depreciation	141,177	0
Change in Assets and Liabilities:		
(Increase) Decrease in Accounts Receivable	29,474	0
(Increase) Decrease in Net Pension Asset	7,251	0
(Increase) Decrease in Net Pension Outflows	(10,490)	0
Increase (Decrease) in Accounts Payable	(10,486)	0
Increase (Decrease) in Due to State of Tennessee	(391)	0
Increase (Decrease) in Contracts Payable	(116,861)	0
Increase (Decrease) in Net Pension Inflows	1,156	0
Increase (Decrease) in Landfill Closure/Postclosure Care Costs	122,016	0
Net Cash Provided By (Used In) Operating Activities	\$ (100,578)	\$ 0
<u>Reconciliation of Cash With the Statement of Net Position</u>		
Cash Per Net Position	\$ 113,507	\$ 0
Equity in Pooled Cash and Investments Per Net Position	322,805	0
Cash, June 30, 2020	\$ 436,312	\$ 0

The notes to the financial statements are an integral part of this statement.

Exhibit E

White County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	<u>Agency Funds</u>
 <u>ASSETS</u>	
Cash	\$ 1,312,233
Accounts Receivable	207
Due from Other Governments	<u>361,981</u>
 Total Assets	 <u><u>\$ 1,674,421</u></u>
 <u>LIABILITIES</u>	
 Due to Other Taxing Units	 \$ 361,981
Due to Litigants, Heirs, and Others	<u>1,312,440</u>
 Total Liabilities	 <u><u>\$ 1,674,421</u></u>

The notes to the financial statements are an integral part of this statement.

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**WHITE COUNTY, TENNESSEE**  
**Index of Notes to the Financial Statements**

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Note	Page(s)
<b>I. Summary of Significant Accounting Policies</b>	
A. Reporting Entity	38
B. Government-wide and Fund Financial Statements	39
C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation	40
D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance	
1. Deposits and Investments	43
2. Receivables and Payables	44
3. Restricted Assets	45
4. Capital Assets	46
5. Deferred Outflows/Inflows of Resources	46
6. Compensated Absences	47
7. Long-term Debt and Long-term Obligations	48
8. Net Position and Fund Balance	49
9. Minimum Fund Balance Policy	50
E. Pension Plans	50
F. Other Postemployment Benefit (OPEB) Plans	51
<b>II. Reconciliation of Government-wide and Fund Financial Statements</b>	
A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Position	51
B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities	51
<b>III. Stewardship, Compliance, and Accountability</b>	
A. Budgetary Information	52
B. Net Position Deficit	53
C. Pending Investigations	53
<b>IV. Detailed Notes on All Funds</b>	
A. Deposits and Investments	53
B. Notes Receivable	59
C. Capital Assets	59
D. Construction Commitments	63
E. Interfund Receivables, Payables, and Transfers	63
F. Long-term Debt	64
G. Long-term Obligations	67
H. On-Behalf Payments	69
<b>V. Other Information</b>	
A. Risk Management	69
B. Contingent Liabilities	70
C. Landfill Closure/Postclosure Care Costs	70
D. Joint Ventures	71
E. Jointly Governed Organization	72
F. Retirement Commitments	72
G. Other Postemployment Benefits (OPEB)	89
H. Office of Central Accounting, Budgeting, and Purchasing	93
I. Purchasing Law	93
J. Subsequent Events	94

**WHITE COUNTY, TENNESSEE**  
**NOTES TO THE FINANCIAL STATEMENTS**  
**For the Year Ended June 30, 2020**

**I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

White County's financial statements are presented in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments.

The following are the more significant accounting policies of White County:

**A. Reporting Entity**

White County is a public municipal corporation governed by an elected 14-member board. As required by GAAP, these financial statements present White County (the primary government) and its component units. The financial statements of the White County Emergency Communications District and the Industrial Development Board of White County, component units requiring discrete presentation, were excluded from this report due to materiality calculations; therefore, the effect of this omission did not affect the independent auditor's opinion thereon. The component units discussed below are included in the county's reporting entity because of the significance of their operational or financial relationships with the county.

**Discretely Presented Component Units** – The following entities meet the criteria for discretely presented component units of the county. They are reported in separate columns in the government-wide financial statements to emphasize that they are legally separate from the county.

The White County School Department operates the public school system in the county, and the voters of White County elect its board. The school department is fiscally dependent on the county because it may not issue debt, and its budget and property tax levy are subject to the county commission's approval. The school department's taxes are levied under the taxing authority of the county and are included as part of the county's total tax levy.

The White County Emergency Communications District provides a simplified means of securing emergency services through a uniform emergency number for the residents of White County, and the White County Commission appoints its governing body. The district is funded primarily through a service charge levied on telephone services. Before the issuance of most debt instruments, the district must obtain the county commission's approval. The financial statements of the White County Emergency Communications District were not material to the component units' opinion unit and therefore have been omitted from this report.

The Industrial Development Board of White County provides and assists industry in White County, and the White County Commission appoints its ten-member board of directors. The board is primarily funded by rentals and land sales at the county's industrial park. The financial statements of the Industrial Development Board of White County were not material to the component units' opinion unit and therefore have been omitted from this report.

The White County School Department does not issue separate financial statements from those of the county. Therefore, basic financial statements of the school department are included in this report as listed in the table of contents. Complete financial statements of the White County Emergency Communications District and the Industrial Development Board of White County can be obtained from their administrative offices at the following addresses:

Administrative Offices:

White County Emergency  
Communications District  
403 Mose Drive  
P.O. Box 911  
Sparta, TN 38583

Industrial Development Board  
of White County  
1 East Bockman Way  
Sparta, TN 38583

**B. Government-wide and Fund Financial Statements**

The government-wide financial statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the nonfiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. However, when applicable, interfund services provided and used between functions are not eliminated in the process of consolidation in the Statement of Activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities, which rely to a significant extent on fees and charges, are required to be reported separately from governmental activities in government-wide financial statements. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable. The White County School Department component unit only reports governmental activities in the government-wide financial statements.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function, and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported instead as general revenues.

White County issues all debt for the discretely presented White County School Department. There were no debt issues contributed by the county to the school department during the year ended June 30, 2020.

Separate financial statements are provided for governmental funds, proprietary funds (internal service and enterprise), and fiduciary funds. The internal service fund is reported with the governmental activities in the government-wide financial statements, and the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements.

**C. Measurement Focus, Basis of Accounting, and Financial Statement Presentation**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds and fiduciary funds financial statements, except for agency funds, which have no measurement focus. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Fund financial statements of White County are organized into funds, each of which is considered to be a separate accounting entity. Each fund is accounted for by providing a separate set of self-balancing accounts that constitute its assets, deferred outflow of resources, liabilities, deferred inflow of resources, fund equity, revenues, and expenditures/expenses. Funds are organized into three major categories: governmental, proprietary, and fiduciary. An emphasis is placed on major funds within the governmental and proprietary categories. White County reports two proprietary funds, a major enterprise fund and an internal service fund.



Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds. Major individual governmental funds and the major enterprise fund are reported as separate columns in the fund financial statements. All other governmental funds are aggregated into a single column on the fund financial statements. The internal service fund and the fiduciary funds in total are reported in single columns by fund type.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they become both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the county considers revenues other than grants to be available if they are collected within 30 days after year-end. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met and the revenues are available. White County considers grants and similar revenues to be available if they are collected within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Principal and interest on long-term debt are recognized as fund liabilities when due or when amounts have been accumulated in the General Debt Service Fund for payments to be made early in the following year.

Property taxes for the period levied, in-lieu-of tax payments, sales taxes, interest, and miscellaneous taxes are all considered to be susceptible to accrual and have been recognized as revenues of the current period. Applicable business taxes, litigation taxes, state-shared excise taxes, fines, forfeitures, and penalties are not susceptible to accrual since they are not measurable (reasonably estimable). All other revenue items are considered to be measurable and available only when the county receives cash.

Proprietary funds and fiduciary funds financial statements are reported using the economic resources measurement focus, except for agency funds, which have no measurement focus, and the accrual basis of accounting. Revenues are recognized when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

White County reports the following major governmental funds:

**General Fund** – This is the county’s primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

**Highway/Public Works Fund** – This special revenue fund accounts for transactions of the county’s highway department. Local and state gasoline/fuel taxes are the foundational revenues of this fund.

**Debt Service Fund** – The General Debt Service Fund accounts for the resources accumulated and payments made for principal and interest on long-term general obligation debt of governmental funds.

White County reports the following major proprietary fund:

**Solid Waste Disposal Fund** – This fund accounts for the county’s solid waste landfill operations.

Additionally, White County reports the following fund types:

**Capital Projects Funds** – These funds are used to account for various capital projects within the county.

**Internal Service Fund** – The Central Service Fund is used to account for transactions of the county’s centralized fuel distribution facility.

**Agency Funds** – These funds account for amounts collected in an agency capacity by the constitutional officers and local sales taxes received by the state to be forwarded to the various cities in White County. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations. They do, however, use the accrual basis of accounting to recognize receivables and payables.

The discretely presented White County School Department reports the following major governmental funds:

**General Purpose School Fund** – This fund is the primary operating fund for the school department. It is used to account for general operations of the school department.

**Education Capital Projects Fund** – This fund is used to account for various capital projects within the school department.

Additionally, White County reports the following fund type:

**Special Revenue Funds** – These funds account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Amounts reported as program revenues include (1) charges to customers or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. The county has two proprietary funds, a major enterprise fund used to account for the operations of the county's landfill and an internal service fund used to account for the transactions at the county's central fuel distribution facility. Operating revenues and expenses generally result from providing services in connection with the fund's principal ongoing operations. The principal operating revenues of the county's proprietary funds are charges for services.

**D. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position/Fund Balance**

**1. Deposits and Investments**

For the purposes of the Statement of Cash Flows, cash includes demand deposits and cash on deposit with the county trustee.

State statutes authorize the government to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposit accounts at state and federal chartered banks and savings and loan associations; repurchase agreements; the State Treasurer's Investment Pool; the State Treasurer's Intermediate Term Investment Fund; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes.

The county trustee maintains a cash and internal investment pool that is used by all funds and the discretely presented White County School Department. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Most income from these pooled investments is assigned to the General Debt Service Fund. White County and the school department have adopted a policy of reporting U.S. Treasury obligations, U.S. agency obligations, and repurchase agreements with maturities of one year or less when purchased on the balance sheet at amortized cost. Certificates of deposit are reported at cost.

Investments in the State Treasurer's Investment Pool are reported at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State

of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions, including collateral requirements, as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Investment Pool complied with accounting principles generally accepted in the United State of America.

Investments in the State Treasurer's Intermediate Term Investment Fund are reported at amortized cost using a floating net asset value. The primary oversight responsibility for the investments and operations of the State Treasurer's Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. These policies were designed to comply with generally accepted accounting principles. In addition, state statutes require the state treasurer to administer the pool under the same terms and conditions as prescribed for other funds invested by the state treasurer. Compliance with Funding Board policies is audited by the Tennessee Comptroller of the Treasury, Division of State Audit. The latest audit opinion issued by the Division of State Audit concluded that the State Treasurer's Intermediate Term Investment Fund complied with accounting principles generally accepted in the United State of America. White County had no investments in the State Treasurer's Intermediate Term Investment Fund during the year.

All other investments are reported at fair value. No investments required to be reported at fair value were held at the balance sheet date.

## **2. Receivables and Payables**

Activity between funds for unremitted current collections at the end of the fiscal year is referred to as due to/from other funds.

Notes receivable in the Industrial/Economic Development Fund represent loans made by the county to local industries in the current and prior years and are included in the restricted fund balance.

All ambulance service, solid waste, and property taxes receivables are shown with an allowance for uncollectibles. Ambulance receivables allowances for uncollectibles are based on historical collection data. Solid waste receivables are classified as doubtful accounts after 90 days. The allowance for uncollectible property taxes is equal to 1.49 percent of total taxes levied.

Property taxes receivable are recognized as of the date an enforceable legal claim to the taxable property arises. This date is January 1 and is referred to as the lien date. However, revenues from property taxes are recognized in the period for which the taxes are levied, which is the ensuing fiscal year. Since the receivable is recognized before the period of revenue recognition, the entire amount of the receivable, less an estimated allowance for uncollectible taxes, is reported as a deferred inflow of resources as of June 30.

Property taxes receivable are also reported as of June 30 for the taxes that are levied, collected, and reported as revenue during the current fiscal year. These property taxes receivable are presented on the balance sheet as a deferred inflow of resources to reflect amounts not available as of June 30. Property taxes collected within 30 days of year-end are considered available and accrued. The allowance for uncollectible taxes represents the estimated amount of the receivable that will be filed in court for collection. Delinquent taxes filed in court for collection are not included in taxes receivable since they are neither measurable nor available.

Property taxes are levied as of the first Monday in October. Taxes become delinquent and begin accumulating interest and penalty the following March 1. Suit must be filed in Chancery Court between the following February 1 to April 1 for any remaining unpaid taxes. Additional costs attach to delinquent taxes after a court suit has been filed.

Most payables are disaggregated on the face of the financial statements.

Retainage payable in discretely presented White County School Department represents amounts withheld from payments made on respective contracts pending completion of the projects. These amounts are held by the county trustee as Equity in Pooled Cash and Investments in the Education Capital Project Fund.

### **3. Restricted Assets**

Restricted assets consist of amounts held in a pension stabilization trust by the Tennessee Consolidated Retirement System (TCRS) for the benefit of the discretely presented White County School Department's Teacher Retirement Plan. The purpose of this trust is to accumulate funds to provide stabilization (smoothing) of retirement costs to the school system in times of fluctuating investment returns and market downturns. These funds are held and invested by TCRS pursuant to an irrevocable agreement and may only be used to for the benefit of the White County School Department to fund retirement benefits upon approval of the TCRS Board of Directors. To date, the White County School Department has not withdrawn any funds from the trust to pay

pension cost. Trust documents provide that the funds are not subject to the claims of general creditors of the school department.

#### 4. **Capital Assets**

Governmental funds do not capitalize the cost of capital outlays; these funds report capital outlays as expenditures upon acquisition.

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, and similar items), are reported in the governmental and business-type columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of \$20,000 or more and an estimated useful life exceeding five years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, plant, equipment, and infrastructure of the primary government and the discretely presented school department are depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings and Improvements	20 - 40
Other Capital Assets	5 - 15
Infrastructure:	
Roads	40

#### 5. **Deferred Outflows/Inflows of Resources**

In addition to assets, the Statement of Net Position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are for pension changes in experience, assumptions, and proportionate share of contributions,

employer contributions made to the pension and other postemployment benefits (OPEB) plans after the measurement date, and OPEB changes in experience and assumptions.

In addition to liabilities, the Statement of Net Position will sometimes report a separate section for deferred inflows of resources. Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue, etc.) until that time. The government has items that qualify for reporting in this category. Accordingly, the items are reported in the government-wide Statement of Net Position and the governmental funds balance sheet. These items are from the following sources: current and delinquent property taxes, pension changes in experience, investment earnings, and proportionate share of contributions, OPEB changes in experience, assumptions, and proportionate share of contributions, and various receivables for revenues, which do not meet the availability criteria in governmental funds. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

## **6. Compensated Absences**

It is the county's policy not to allow for the accumulation of unused vacation days or sick leave beyond year-end.

The general policy of the discretely presented school department does not allow for the accumulation of vacation days beyond year-end for non-professional personnel. Professional personnel (teachers) receive two vacation days per year, which they are allowed to accumulate beyond year-end. The Director of Schools is allowed accumulation of 20 days of vacation time that will be paid upon completion of term. Vacation pay is accrued when incurred in the government-wide financial statements for the discretely presented school department.

The school department's policy allows employees to accumulate sick days at varying rates depending upon their position. All professional personnel (teachers) of the school department are allowed to accumulate unlimited sick leave days. The granting of sick leave for professional personnel has no guaranteed payment attached and therefore is not required to be accrued or recorded. Nonteaching personnel may accumulate up to 60 days sick leave. Based on their daily wage, nonteaching personnel resigning or retiring with ten or more years of service are paid for 50 percent of their accumulated sick leave, while those resigning or retiring with 30 or more years of service receive 100 percent of their accumulated sick leave. All sick days for nonteaching personnel are accrued when incurred in the government-wide statements for the school department.

A liability for vacation leave is reported in governmental funds only if amounts have matured, for example, as a result of employee resignations and retirements.

Vested or accumulated vacation leave is accrued when incurred in proprietary funds using the accrual basis of accounting. White County's proprietary fund did not have a policy for accruing vested or accumulated vacation leave when it was incurred. However, these amounts would be immaterial to the financial statements of White County.

## **7. Long-term Debt and Long-term Obligations**

In the government-wide financial statements and the proprietary fund type in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities or proprietary fund type Statement of Net Position. Debt premiums and discounts are deferred and are amortized over the life of the new debt using the straight-line method. Debt issuance costs are expensed in the period incurred. In refunding transactions, the difference between the reacquisition price and the net carrying amount of the old debt is reported as a deferred outflow of resources or a deferred inflow of resources and recognized as a component of interest expense in a systematic and rational manner over the remaining life of the refunded debt or the life of the new debt issued, whichever is shorter.

In the fund financial statements, governmental funds recognize debt premiums and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Only the matured portion (the portion that has come due for payment) of long-term indebtedness, including bonds payable, is recognized as a liability and expenditure in the governmental fund financial statements. Liabilities and expenditures for other long-term obligations, including compensated absences, other postemployment benefits, and landfill closure/postclosure care costs, are recognized to the extent that the liabilities have matured (come due for payment) each period.



## 8. Net Position and Fund Balance

In the government-wide financial statements and the proprietary fund in the fund financial statements, equity is classified as net position and displayed in three components:

- a. Net investment in capital assets – Consists of capital assets, including restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any bonds, mortgages, notes, or other borrowings that are attributable to the acquisition, construction, or improvement of those assets.
- b. Restricted net position – Consists of net position with constraints placed on the use either by (1) external groups such as creditors, grantors, contributors, or laws or regulations of other governments or (2) law through constitutional provisions or enabling legislation.
- c. Unrestricted net position – All other net position that does not meet the definition of restricted or net investment in capital assets.

As of June 30, 2020, White County had \$18,370,000 in outstanding debt for capital purposes for the discretely presented White County School Department. This debt is a liability of White County; however, the capital assets acquired are reported in the financial statements of the school department. Therefore, White County has incurred a liability significantly decreasing its unrestricted net position with no corresponding increase in the county's capital assets.

It is the county's policy that restricted amounts would be reduced first followed by unrestricted amounts when expenditures are incurred for purposes for which both restricted and unrestricted fund balance is available. Also, it is the county's policy that committed amounts would be reduced first, followed by assigned amounts, and then unassigned amounts when expenditures are incurred for purposes for which amounts in any of these unrestricted fund balance classifications could be used.

In the fund financial statements, governmental funds report fund balance in classifications that comprise a hierarchy based primarily on the extent to which the government is bound to honor constraints on the specific purposes for which amounts in these funds can be spent. These classifications may consist of the following:

Nonspendable Fund Balance – includes amounts that cannot be spent because they are either (a) not in spendable form or (b) legally or contractually required to be maintained intact.

Restricted Fund Balance – includes amounts that have constraints placed on the use of the resources that are either

(a) externally imposed by creditors, grantors, contributors or laws and regulations of other governments or (b) imposed by law through constitutional provisions or enabling legislation.

Committed Fund Balance – includes amounts that can only be used for specific purposes pursuant to constraints imposed by formal resolutions of the county commission, the county’s highest level of decision-making authority and the Board of Education, the school department’s highest level of decision-making authority, and shall remain binding unless removed in the same manner.

Assigned Fund Balance – includes amounts that are constrained by the county’s intent to be used for specific purposes but are neither restricted nor committed (excluding stabilization arrangements). The county commission has by resolution authorized the county’s Financial Management Committee to make assignments for the general government. The Board of Education makes assignments for the school department.

Unassigned Fund Balance – the residual classification of the General and General Purpose School funds. This classification represents fund balance that has not been assigned to other funds and has not been restricted, committed, or assigned to specific purposes within the General and General Purpose School funds.

## **9. Minimum Fund Balance Policy**

According to the policies and procedures manual for White County Government, each of the county’s funds strives to maintain a minimum fund balance of no less than ten percent of its total appropriations.

## **E. Pension Plans**

### **Primary Government**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of White County’s participation in the Public Employee Retirement Plan of the Tennessee Consolidated Retirement System (TCRS), and additions to/deductions from White County’s fiduciary net position have been determined on the same basis as they are reported by the TCRS for the Public Employee Retirement Plan. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Public Employee Retirement Plan of TCRS. Investments are reported at fair value.

### **Discretely Presented White County School Department**

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Teacher Retirement Plan and the Teacher Legacy Pension Plan in the Tennessee Consolidated Retirement System, and additions to/deductions from fiduciary net position have been determined on the same basis as they are reported by the TCRS. For this purpose, benefits (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms of the Teacher Retirement Plan and the Teacher Legacy Pension Plan. Investments are reported at fair value.

#### **F. Other Postemployment Benefit (OPEB) Plans**

### **Discretely Presented White County School Department**

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, have been determined on the same basis as they are reported by the discretely presented White County School Department. For this purpose, the school department recognizes benefit payments when due and payable in accordance with benefit terms. The school department's OPEB plan is not administered through a trust.

## **II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS**

### **A. Explanation of certain differences between the governmental fund balance sheet and the government-wide Statement of Net Position**

#### **Primary Government**

Exhibit C-2 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### **Discretely Presented White County School Department**

Exhibit J-3 includes explanations of the nature of individual elements of items required to reconcile the balance sheet of governmental funds with the government-wide Statement of Net Position.

### **B. Explanation of certain differences between the governmental fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the government-wide Statement of Activities**

### **Primary Government**

Exhibit C-4 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

### **Discretely Presented White County School Department**

Exhibit J-5 includes explanations of the nature of individual elements of items required to reconcile the net change in fund balances – total governmental funds with the change in net position of governmental activities reported in the government-wide Statement of Activities.

## **III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY**

### **A. Budgetary Information**

Annual budgets are adopted on a basis consistent with generally accepted accounting principles (GAAP) for all governmental funds except the Constitutional Officers - Fees Fund (special revenue fund), which is not budgeted, and the capital projects funds, which adopt project length budgets. All annual appropriations lapse at fiscal year-end.

The county is required by state statute to adopt annual budgets. Annual budgets are prepared on the basis in which current available funds must be sufficient to meet current expenditures. Expenditures and encumbrances may not legally exceed appropriations authorized by the county commission and any authorized revisions. Unencumbered appropriations lapse at the end of each fiscal year.

The budgetary level of control is at the major category level established by the County Uniform Chart of Accounts, as prescribed by the Comptroller of the Treasury of the State of Tennessee. Major categories are at the department level (examples of General Fund major categories: County Commission, Board of Equalization, County Mayor/Executive, County Attorney, etc.). Management may make revisions within major categories, but only the county commission may transfer appropriations between major categories. During the year, several supplementary appropriations were necessary.

The county's budgetary basis of accounting is consistent with GAAP, except instances in which encumbrances are treated as budgeted expenditures. The difference between the budgetary basis and GAAP basis is presented on the face of each budgetary schedule.

At June 30, 2020, White County and the discretely presented White County School Department reported the following encumbrances:

<u>Funds</u>	<u>Amount</u>
Primary Government	
Major Fund:	
General	\$ 433,246
Highway/Public Works	5,821
Nonmajor Fund:	
Drug Control	872
School Department:	
Major Fund:	
General Purpose School	153,250

**B. Net Position Deficit**

The Solid Waste Disposal Fund had a deficit of \$5,957,613 in unrestricted net position at June 30, 2020. This deficit resulted from the recognition of a liability of \$6,529,819 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after closure.

**C. Pending Investigations**

An investigation report dated March 27, 2020, by the Comptroller's Division of Investigations disclosed deficiencies with the accrual of leave and compensatory time by some sheriff's department employees. The report also disclosed a deficiency in purchasing. Details of the investigation can be found in a report released by the Comptroller's Division of Investigations at [www.comptroller.tn.gov](http://www.comptroller.tn.gov).

The Comptroller's Division of Investigations is currently reviewing certain operations in the Office of White County Clerk. Findings, if any, resulting from these reviews will be included in subsequent reports.

**IV. DETAILED NOTES ON ALL FUNDS**

**A. Deposits and Investments**

White County and the White County School Department participate in an internal cash and investment pool through the Office of Trustee. The county trustee is the treasurer of the county and in this capacity is responsible for receiving, disbursing, and investing most county funds. Each fund's portion of this pool is displayed on the balance sheets or statements of net position as Equity in Pooled Cash and Investments. Cash reflected on the balance sheets or statements of net position represents nonpooled amounts held separately by individual funds.

## **Deposits**

**Legal Provisions.** All deposits with financial institutions must be secured by one of two methods. One method involves financial institutions that participate in the bank collateral pool administered by the state treasurer. Participating banks determine the aggregate balance of their public fund accounts for the State of Tennessee and its political subdivisions. The amount of collateral required to secure these public deposits must equal at least 105 percent of the average daily balance of public deposits held. Collateral securities required to be pledged by the participating banks to protect their public fund accounts are pledged to the state treasurer on behalf of the bank collateral pool. The securities pledged to protect these accounts are pledged in the aggregate rather than against each account. The members of the pool may be required by agreement to pay an assessment to cover any deficiency. Under this additional assessment agreement, public fund accounts covered by the pool are considered to be insured for purposes of credit risk disclosure.

For deposits with financial institutions that do not participate in the bank collateral pool, state statutes require that all deposits be collateralized with collateral whose market value is equal to 105 percent of the uninsured amount of the deposits. The collateral must be placed by the depository bank in an escrow account in a second bank for the benefit of the county.

## **Investments**

**Legal Provisions.** Counties are authorized to make direct investments in bonds, notes, or treasury bills of the U.S. government and obligations guaranteed by the U.S. government or any of its agencies; deposits at state and federal chartered banks and savings and loan associations; bonds of any state or political subdivision rated A or higher by any nationally recognized rating service; nonconvertible debt securities of certain federal government sponsored enterprises; and the county's own legally issued bonds or notes. These investments may not have a maturity greater than two years. The county may make investments with longer maturities if various restrictions set out in state law are followed. Counties are also authorized to make investments in the State Treasurer's Investment Pool, the State Treasurer's Intermediate Term Investment Fund, and in repurchase agreements. The primary oversight responsibility for the investments and operations of the State Treasurer's Investment Pool rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the State Treasurer's Investment Pool are reported both by the pool and the county at amortized cost using a stable net asset value. The primary oversight responsibility for the investments and operations of the Intermediate Term Investment Fund rests with the Funding Board of the State of Tennessee (Funding Board). The Funding Board has established an investment policy that is administered by the state treasurer. Investments in the Intermediate Term Investment Fund are reported both by the pool and the county at amortized cost using a floating net asset value. Repurchase agreements must

be approved by the state Comptroller's Office and executed in accordance with procedures established by the State Funding Board. Securities purchased under a repurchase agreement must be obligations of the U.S. government or obligations guaranteed by the U.S. government or any of its agencies. When repurchase agreements are executed, the purchase of the securities must be priced at least two percent below the fair value of the securities on the day of purchase.

**Investment Balances.** As of June 30, 2020, White County had the following investments carried at amortized cost using a Stable Net Asset Value. All investments are in the county trustee's investment pool. Separate disclosures concerning pooled investments cannot be made for White County and the discretely presented White County School Department since both pool their deposits and investments through the county trustee.

Investment	Weighted Average Maturity (days)	Maturity	Amortized Cost
Investments at Amortized Cost:			
State Treasurer's Investment Pool	1 to 105 days	N/A	<u>\$ 8,846,378</u>

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. State statutes limit the maturities of certain investments as previously disclosed. White County does not have a formal investment policy that limits investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. State statutes limit the ratings of certain investments as previously explained. White County has no investment policy that would further limit its investment choices. As of June 30, 2020, White County's investment in the State Treasurer's Investment Pool was unrated.

Further information concerning the legal provisions, investment policies, investment types, and credit risks for the State Treasurer's Investment Pool and the State Treasurer's Intermediate Term Investment Fund can be obtained by reviewing the State of Tennessee Consolidated Annual Financial Report at <https://www.tn.gov/finance/rd-doa/fa-accfin-cafr.html>.

### **TCRS Stabilization Trust**

**Legal Provisions.** The White County School Department is a member of the Tennessee Consolidated Retirement System (TCRS) Stabilization Reserve Trust. The school department has placed funds into the irrevocable trust as

authorized by statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the trust. Funds of trust members are held and invested in the name of the trust for the benefit of each member. Each member's funds are restricted for the payment of retirement benefits of that member's employees. Trust funds are not subject to the claims of general creditors of the school department.

The trust is authorized to make investments as directed by the TCRS Board of Trustees. The White County School Department may not impose any restrictions on investments placed by the trust on their behalf.

**Investment Balances.** Assets of the TCRS, including the Stabilization Reserve Trust, are invested in the Tennessee Retiree Group Trust (TRGT). The TRGT is not registered with the Securities and Exchange Commission (SEC) as an investment company. The State of Tennessee has not obtained a credit quality rating for the TRGT from a nationally recognized credit ratings agency. The fair value of investment positions in the TRGT is determined daily based on the fair value of the pool's underlying portfolio. Furthermore, TCRS had not obtained or provided any legally binding guarantees to support the value of participant shares during the fiscal year. There are no restrictions on the sale or redemption of shares.

Investments are reported at fair value. Securities traded on a national exchange are valued at the last reported sales price. Investment income consists of realized and unrealized appreciation (depreciation) in the fair value of investments and interest and dividend income. Interest income is recognized when earned. Securities and securities transactions are recorded in the financial statements on a trade-date basis. The fair value of assets of the TRGT held at June 30, 2020, represents the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. Assets held are categorized for fair value measurement within the fair value hierarchy established by GAAP. The hierarchy is based on the valuation inputs used to measure the fair value of the asset and give the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and the lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Unadjusted quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.

- Level 2 - Quoted prices for similar assets or liabilities in active markets; quoted prices for identical or similar assets or liabilities in markets that are not active; assets or liabilities that have a bid-ask spread price in an inactive dealer market, brokered market and principal-to-principal market; and Level 1 assets or liabilities that are adjusted.

- Level 3 - Valuations derived from valuation techniques in which significant inputs are unobservable.



Investments where fair value is measured using the Net Asset Value (“NAV”) per share have no readily determinable fair value and have been determined to be calculated consistent with FASB principles for investment companies.

Where inputs used in the measurement of fair value fall into different levels of the hierarchy, fair value of the instrument in its entirety is categorized based on the lowest level input that is significant to the valuation. This assessment requires professional judgement and as such management of the TRGT developed a fair value committee that worked in conjunction with the plan’s custodian and investment professionals to make these valuations. All assets held were valued individually and aggregated into classes to be represented in the table below.

Short-term securities generally include investments in money market-type securities reported at cost plus accrued interest.

Equity and equity derivative securities classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Equity and equity derivative securities classified in Level 2 are securities whose values are derived daily from associated traded securities. Equity securities classified in Level 3 are valued with last trade data having limited trading volume.

U.S. Treasury Bills, Bonds, Notes and Futures classified in Level 1 are valued using last reported sales prices quoted in active markets that can be accessed at the measurement date. Debt and debt derivative securities classified in Level 2 are valued using a bid-ask spread price from multiple independent brokers, dealers, or market principals, which are known to be actively involved in the market. Level 3 debt securities are valued using proprietary information, a single pricing source, or other unobservable inputs related to similar assets or liabilities.

Real estate investments classified in Level 3 are valued using the last valuations provided by external investment advisors or independent external appraisers. Generally, all direct real estate investments are appraised by a qualified independent appraiser(s) with the professional designation of Member of the Appraisal Institute (“MAI”), or its equivalent, every three (3) years beginning from the acquisition date of the property. The appraisals are performed using generally accepted valuation approaches applicable to the property type.

Investments in private mutual funds, traditional private equity funds, strategic lending funds and real estate funds that report using GAAP, the fair value, as well as the unfunded commitments, were determined using the prior quarter’s NAV, as reported by the fund managers, plus the current cash flows. These assets were then categorized by investment strategy. In instances where

the fund investment reported using non-GAAP standards, the investment was valued using the same method, but was classified in Level 3.

At June 30, 2020, the White County School Department had the following investments held by the trust on its behalf.

Investment	Weighted Average Maturity (days)	Maturities	Fair Value
Investments at Fair Value:			
U.S. Equity	N/A	N/A	\$ 28,467
Developed Market International Equity	N/A	N/A	12,856
Emerging Market International Equity	N/A	N/A	3,673
U.S. Fixed Income	N/A	N/A	18,366
Real Estate	N/A	N/A	9,183
Short-term Securities	N/A	N/A	917
NAV - Private Equity and Strategic Lending	N/A	N/A	<u>18,366</u>
Total			<u><u>\$ 91,828</u></u>

Investment by Fair Value Level	Fair Value 6-30-20	Fair Value Measurements Using			NAV
		Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
U.S. Equity	\$ 28,467	\$ 28,467	\$ 0	\$ 0	0
Developed Market International Equity	12,856	12,856	0	0	0
Emerging Market International Equity	3,673	3,673	0	0	0
U.S. Fixed Income	18,366	0	18,366	0	0
Real Estate	9,183	0	0	9,183	0
Short-term Securities	917	0	917	0	0
Private Equity and Strategic Lending	18,366	0	0	0	18,366
Total	<u><u>\$ 91,828</u></u>	<u><u>\$ 44,996</u></u>	<u><u>\$ 19,283</u></u>	<u><u>\$ 9,183</u></u>	<u><u>18,366</u></u>

**Risks and Uncertainties.** The trust's investments include various types of investment funds, which in turn invest in any combination of stock, bonds and other investments exposed to various risks, such as interest rate, credit, and market risk. Due to the level of risk associated with certain investment securities, it is at least reasonably possible that changes in the values of

investment securities will occur in the near term and that such changes could materially affect the amounts reported for trust investments.

**Interest Rate Risk.** Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The White County School Department does not have the ability to limit trust investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

**Credit Risk.** Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The White County School Department does not have the ability to limit the credit ratings of individual investments made by the trust.

**Concentration of Credit Risk.** Concentration of credit risk is the risk of loss attributed to the magnitude of the county's investment in a single issuer. White County School Department places no limit on the amount the county may invest in one issuer.

**Custodial Credit Risk.** Custodial credit risk for investments is the risk that, in the event of a failure of the counterparty to a transaction, the county will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Pursuant to the trust agreement, investments are held in the name of the trust for the benefit of the White County School Department to pay retirement benefits of the school department employees.

For further information concerning the school department's investments with the TCRS Stabilization Reserve Trust, audited financial statements of the Tennessee Consolidated Retirement System may be obtained at <https://comptroller.tn.gov/content/dam/cot/sa/advanced-search/disclaimer/2020/ag18092.pdf>

## **B. Notes Receivable**

Notes receivable of \$214,764 in the Industrial/Economic Development Fund resulted from loans issued by the county to local industries in the current and prior years. This amount is included in restricted fund balance in this fund; however, at June 30, 2020, it was noted that two of the notes totaling \$138,686 were well past the agreed upon maturity dates as reflected on Exhibit K-3 in this report.

## **C. Capital Assets**

Capital assets activity for the year ended June 30, 2020, was as follows:

## Primary Government

### Governmental Activities:

	Balance				Balance
	7-1-19	Increases	Decreases		6-30-20
Capital Assets					
Not Depreciated:					
Land	\$ 58,994	\$ 0	\$ 0	\$	58,994
Construction in Progress	233,237	1,679,299	0		1,912,536
Total Capital Assets					
Not Depreciated	\$ 292,231	\$ 1,679,299	\$ 0	\$	1,971,530
Capital Assets					
Depreciated:					
Buildings and					
Improvements	\$ 12,308,585	\$ 0	\$ 0	\$	12,308,585
Infrastructure	10,884,417	1,786,486	0		12,670,903
Other Capital Assets	4,501,319	355,713	(264,082)		4,592,950
Total Capital Assets					
Depreciated	\$ 27,694,321	\$ 2,142,199	\$ (264,082)	\$	29,572,438
Less Accumulated					
Depreciation For:					
Buildings and					
Improvements	\$ 5,443,061	\$ 300,401	\$ 0	\$	5,743,462
Infrastructure	2,123,824	299,785	0		2,423,609
Other Capital Assets	3,232,044	268,880	(258,342)		3,242,582
Total Accumulated					
Depreciation	\$ 10,798,929	\$ 869,066	\$ (258,342)	\$	11,409,653
Total Capital Assets					
Depreciated, Net	\$ 16,895,392	\$ 1,273,133	\$ (5,740)	\$	18,162,785
Governmental Activities					
Capital Assets, Net	\$ 17,187,623	\$ 2,952,432	\$ (5,740)	\$	20,134,315

Depreciation expense was charged to functions of the primary government as follows:

**Governmental Activities:**

General Government	\$ 317,206
Public Safety	57,452
Public Health and Welfare	128,819
Highways/Public Works	<u>365,589</u>
Total Depreciation Expense - Governmental Activities	<u>\$ 869,066</u>

**Business-type Activities:**

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets				
Not Depreciated:				
Land	\$ 596,203	\$ 0	\$ 0	\$ 596,203
Total Capital Assets				
Not Depreciated	\$ 596,203	\$ 0	\$ 0	\$ 596,203
Capital Assets Depreciated:				
Buildings and				
Improvements	\$ 1,829,736	\$ 0	\$ 0	\$ 1,829,736
Other Capital Assets	2,343,180	50,000	(710,171)	1,683,009
Total Capital Assets				
Depreciated	\$ 4,172,916	\$ 50,000	\$ (710,171)	\$ 3,512,745
Less Accumulated				
Depreciation For:				
Buildings and				
Improvements	\$ 1,197,328	\$ 35,993	\$ 0	\$ 1,233,321
Other Capital Assets	1,485,326	105,184	(624,293)	966,217
Total Accumulated				
Depreciation	\$ 2,682,654	\$ 141,177	\$ (624,293)	\$ 2,199,538
Total Capital Assets				
Depreciated, Net	\$ 1,490,262	\$ (91,177)	\$ (85,878)	\$ 1,313,207
Business-type Activities				
Capital Assets, Net	\$ 2,086,465	\$ (91,177)	\$ (85,878)	\$ 1,909,410

Depreciation expense was charged to functions of the primary government as follows:

**Business-type Activities:**

Public Health and Welfare	\$ 141,177
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Total Depreciation Expense - Business-type Activities	<u>\$ 141,177</u>
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**Discretely Presented White County School Department****Governmental Activities:**

	Balance 7-1-19	Increases	Decreases	Balance 6-30-20
Capital Assets Not Depreciated:				
Land	\$ 1,609,892	\$ 0	\$ 0	\$ 1,609,892
Construction in Progress	19,745,746	0	(19,745,746)	0
Total Capital Assets Not Depreciated	<u>\$ 21,355,638</u>	<u>\$ 0</u>	<u>\$ (19,745,746)</u>	<u>\$ 1,609,892</u>
Capital Assets Depreciated:				
Buildings and Improvements	\$ 37,567,874	\$ 26,565,465	\$ 0	\$ 64,133,339
Other Capital Assets	3,166,531	207,319	(283,484)	3,090,366
Total Capital Assets Depreciated	<u>\$ 40,734,405</u>	<u>\$ 26,772,784</u>	<u>\$ (283,484)</u>	<u>\$ 67,223,705</u>
Less Accumulated Depreciation For:				
Buildings and Improvements	\$ 15,396,467	\$ 1,432,970	\$ 0	\$ 16,829,437
Other Capital Assets	1,950,646	193,362	(277,484)	1,866,524
Total Accumulated Depreciation	<u>\$ 17,347,113</u>	<u>\$ 1,626,332</u>	<u>\$ (277,484)</u>	<u>\$ 18,695,961</u>
Total Capital Assets Depreciated, Net	<u>\$ 23,387,292</u>	<u>\$ 25,146,452</u>	<u>\$ (6,000)</u>	<u>\$ 48,527,744</u>
Governmental Activities Capital Assets, Net	<u>\$ 44,742,930</u>	<u>\$ 25,146,452</u>	<u>\$ (19,751,746)</u>	<u>\$ 50,137,636</u>

Depreciation expense was charged to functions of the discretely presented White County School Department as follows:

**Governmental Activities:**

Instruction	\$ 1,445,067
Support Services	181,265
Total Depreciation Expense - Governmental Activities	<u>\$ 1,626,332</u>

**D. Construction Commitments**

At June 30, 2020, the county had uncompleted construction contracts in the General Capital Projects Fund for health department renovations (\$49,316), in the Highway Capital Projects Fund for Robert-Matthews Bridge replacement (\$232,423), and in the Education Capital Projects Fund of the discretely presented White County School Department for construction of Findlay Elementary School (\$1,835,840). Funding has been received for these future expenditures.

**E. Interfund Receivables, Payables, and Transfers**

The composition of interfund balances as of June 30, 2020, was as follows:

**Due to/from Other Funds:**

Receivable Fund	Payable Fund	Amount
Primary Government:		
General	Nonmajor governmental	\$ 15,012
General	General Debt Service	230
Discretely Presented School Department:		
Nonmajor governmental	General Purpose School	14,800

These balances resulted from the time lag between the dates that interfund goods and services are provided or reimbursable expenditures occur and payments between funds are made. The \$230 was due to an error in coding revenue received during the year under examination and the \$14,800 was due to a refund not being distributed to funds that incurred the expense by year end.

**Due to/from Primary Government and Component Unit:**

Receivable	Payable	Amount
Primary Government:		
General Fund	School Department General Purpose School	\$ 17,010

The \$17,010 was due to an error in coding revenue received during the year under examination.

**Interfund Transfers:**

Interfund transfers for the year ended June 30, 2020, consisted of the following amounts:

### Primary Government

Transfers Out	Transfers In		Purpose
	General Fund	Nonmajor Governmental Fund	
Highway/Public Works Fund	\$ 211,000	\$ 0	Services and Operations
Nonmajor Governmental Fund	47,805	0	Capital Project Refund
General Fund	0	89,080	Capital Project

### Discretely Presented White County School Department

	<u>Transfer In</u>		
	General Purpose School Fund		
Transfer Out			Purpose
Nonmajor governmental funds	\$	57,651	Indirect costs

Transfers are used to move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them and to use unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

## F. Long-term Debt

### Primary Government

#### General Obligation Bonds

General Obligation Bonds - White County issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities for the primary government and the discretely presented school department. In addition, general obligation bonds have been issued to refund other loans. General obligation bonds are direct obligations and pledge the full faith, credit, and taxing authority of the government. General obligation bonds were issued for original terms of up to 20 years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All bonds included in long-term debt as of June 30, 2020, will be retired from the General Debt Service Fund.

General obligation bonds outstanding as of June 30, 2020, for governmental activities are as follows:



Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-20
General Obligation Bonds	3.18 to 4.4 %	6-1-38	\$ 20,735,000	\$ 18,705,000

The annual requirements to amortize all general obligation bonds outstanding as of June 30, 2020, including interest payments, are presented in the following table:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 780,000	\$ 667,588	\$ 1,447,588
2022	820,000	629,039	1,449,039
2023	860,000	588,493	1,448,493
2024	900,000	545,949	1,445,949
2025	950,000	501,369	1,451,369
2026-2030	4,870,000	1,983,218	6,853,218
2031-2035	5,670,000	1,188,701	6,858,701
2036-2038	3,855,000	261,356	4,116,356
Total	\$ 18,705,000	\$ 6,365,713	\$ 25,070,713

There is \$1,320,579 available in the General Debt Service Fund to service long-term debt. Bonded debt per capita totaled \$724, based on the 2010 federal census. Total debt per capita, including bonds and unamortized debt premiums, totaled \$741, based on the 2010 federal census.

The school department annually contributes funds to service some of the debt issued on its behalf by the primary government. No amount is reflected in the government-wide financial statements as Due to the Primary Government in the financial statements of the school department and as Due from Component Units in the financial statements of the primary government because the amount of the contribution changes each year. The annual contribution is calculated by the county and reflected in the respective budgets of the General Debt Service and General Purpose School funds. During the year ending June 30, 2020, the school department contributed \$1,200,000 to the General Debt Service Fund for debt retirement.

#### Changes in Long-term Debt

Long-term debt activity for the year ended June 30, 2020, was as follows:

Governmental Activities:

	<u>Bonds</u>
Balance, July 1, 2019	\$ 20,790,000
Reductions	<u>(2,085,000)</u>
Balance, June 30, 2020	<u>\$ 18,705,000</u>
Balance Due Within One Year	<u>\$ 780,000</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 18,705,000
Less: Balance Due Within One Year - Debt	(780,000)
Add: Unamortized Premium on Debt	<u>434,106</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 18,359,106</u>

**White County Solid Waste Disposal Fund (enterprise fund)**

Notes

Direct Borrowing and Direct Placements: White County issues capital outlay notes to fund capital facilities and other capital outlay purchases, such as equipment. Capital outlay notes are direct obligations and pledge the full faith and credit of the government. Capital outlay notes were issued for original terms of up to eight years. Repayment terms are generally structured with increasing amounts of principal maturing as interest requirements decrease over the term of the debt. All notes included in long-term debt as of June 30, 2020, will be retired from the Solid Waste Disposal Fund.

Capital outlay notes outstanding as of June 30, 2020, for business-type activities are as follows:

Type	Interest Rate	Final Maturity	Original Amount of Issue	Balance 6-30-20
Direct Borrowing and Direct Placement:				
Capital Outlay Notes	2.59 %	2-28-25	\$ 531,500	\$ 332,187

The annual requirements to amortize all notes outstanding as of June 30, 2020, including interest payments, are presented in the following table:

Year Ending June 30	Notes - Direct Placement		
	Principal	Interest	Total
2021	\$ 66,437	\$ 8,604	\$ 75,041
2022	66,437	6,883	73,320
2023	66,438	5,162	71,600
2024	66,437	3,441	69,878
2025	66,438	1,721	68,159
Total	\$ 332,187	\$ 25,811	\$ 357,998

#### Changes in Long-term Debt

Long-term debt activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2020, was as follows:

Business-type Activities:

	Notes - Direct Placement
Balance, July 1, 2019	\$ 398,624
Reductions	(66,437)
Balance, June 30, 2020	<u>\$ 332,187</u>
Balance Due Within One Year	<u>\$ 66,437</u>

Analysis of Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Debt, June 30, 2020	\$ 332,187
Less: Balance Due Within One Year - Debt	<u>(66,437)</u>
Noncurrent Liabilities - Due in More Than One Year - Debt - Exhibit A	<u>\$ 265,750</u>

#### **G. Long-term Obligations**

##### Changes in Long-term Obligations

Long-term obligations activity for the year ended June 30, 2020, was as follows:

## **Solid Waste Disposal (Enterprise) Fund**

### **Changes in Long-term Obligations**

Long-term obligations activity for the Solid Waste Disposal Fund (enterprise fund) for the year ended June 30, 2020, was as follows:

Business-type Activities:

	<u>Closure/ Postclosure Care Costs</u>
Balance, July 1, 2019	\$ 6,407,803
Additions	<u>122,016</u>
Balance, June 30, 2020	<u>\$ 6,529,819</u>
Balance Due Within One Year	<u>\$ 93,727</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 6,529,819
Less: Balance Due Within One Year - Other	<u>(93,727)</u>
Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 6,436,092</u>

## **Discretely Presented White County School Department**

### **Changes in Long-term Obligations**

Long-term obligations activity for the discretely presented White County School Department for the year ended June 30, 2020, was as follows:

Governmental Activities:

	<u>Compensated Absences</u>	<u>Other Postemployment Benefits</u>
Balance, July 1, 2019	\$ 272,006	\$ 3,069,414
Additions	214,880	937,121
Reductions	<u>(107,230)</u>	<u>(566,225)</u>
Balance, June 30, 2020	<u>\$ 379,656</u>	<u>\$ 3,440,310</u>
Balance Due Within One Year	<u>\$ 107,230</u>	<u>\$ 0</u>

Analysis of Other Noncurrent Liabilities Presented on Exhibit A:

Total Noncurrent Liabilities - Other, June 30, 2020	\$ 3,819,966
Less: Balance Due Within One Year - Other	<u>(107,230)</u>

Noncurrent Liabilities - Due in More Than One Year - Other - Exhibit A	<u>\$ 3,712,736</u>
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Compensated absences and other postemployment benefits will be paid from the employing funds, primarily the General Purpose School and Central Cafeteria funds.

**H. On-Behalf Payments**

**Discretely Presented White County School Department**

The State of Tennessee pays health insurance premiums for retired teachers on-behalf of the White County School Department. These payments are made by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan. Both plans are administered by the State of Tennessee and reported in the state's Comprehensive Annual Financial Report. Payments by the state to the Local Education Group Insurance Plan and the Medicare Supplement Plan for the year ended June 30, 2020, were \$142,216 and \$46,629, respectively. The school department has recognized these on-behalf payments as revenues and expenditures in the General Purpose School Fund.

**V. OTHER INFORMATION**

**A. Risk Management**

White County and the discretely presented White County School Department participate in the Tennessee Risk Management Trust (TN-RMT), which is a public entity risk pool created under the auspices of the Tennessee Governmental Tort Liability Act to provide governmental insurance coverage. The county and the school department pay annual premiums to the TN-RMT for their general liability, property, casualty, and workers' compensation insurance coverage. The creation of the TN-RMT provides for it to be self-sustaining through member premiums.

From July 1, 2019 to December 31, 2019, White County offered its general government employees a select benefit limited health plan purchased through a commercial carrier. This was a fully insured fixed rate limited plan in which all employees were eligible to participate; however, pre-65 age retirees were not allowed to remain on the program. Settled claims have not exceeded this commercial coverage.

Effective January 1, 2020, the county participates in the Local Government Group Insurance Fund (LGGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local governments and

quasi-governmental entities that was established for the primary purpose of providing services for or on behalf of state and local governments. In accordance with Section 8-27-207, *Tennessee Code Annotated*, all local governments and quasi-governmental entities described above are eligible to participate. The LGGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. The state statute provides for the LGGIF to be self-sustaining through member premiums.

The school department participates in the Local Education Group Insurance Fund (LEGIF), a public entity risk pool established to provide a program of health insurance coverage for employees of local education agencies. In accordance with Section 8-27-301, *Tennessee Code Annotated (TCA)*, all local education agencies are eligible to participate. The LEGIF is included in the Comprehensive Annual Financial Report of the State of Tennessee, but the state does not retain any risk for losses by this fund. Section 8-27-303, *TCA*, provides for the LEGIF to be self-sustaining through member premiums.

**B. Contingent Liabilities**

The county is involved in several pending lawsuits. The county attorney estimates that the potential claims against the county not covered by insurance resulting from such litigation would not materially affect the county's financial statements. However, the attorney stated that the county is currently involved in lawsuits alleging civil rights violations and various violations of the Fair Labor Standards Act. The county's insurance company is defending the suits; however, the county's insurance policy does not provide funding for judgments resulting from certain causes of action against individuals who violate certain statutes involving a denial of a person's civil rights nor does the policy cover any judgments for unpaid overtime or Fair Labor Standards Act claims.

The attorney for the county and the school department was not aware of any other pending or threatened litigation wherein the county has any liability exposure other than what might be covered by insurance.

**C. Landfill Closure and Postclosure Care Costs**

White County has active permits on file with the state Department of Environment and Conservation for a sanitary landfill and a demolition landfill. The county has provided financial assurances for estimated closure and postclosure liabilities as required by the State of Tennessee. These financial assurances are on file with the Department of Environment and Conservation. State and federal laws and regulations require White County to place a final cover on its sanitary landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. Although closure and postclosure care costs will be paid only near or after the date that the landfill stops accepting waste, the county reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each balance sheet date. The

\$6,529,819 reported as landfill closure and postclosure care liability at June 30, 2020, represents the cumulative amount reported to date based on the use of 98 percent of the estimated capacity of the landfill. The county will recognize the remaining estimated costs of \$146,888 for closure and postclosure care as the remaining estimated capacity is filled. These amounts are based on what it would cost to perform all closure and postclosure care in 2020. Actual costs may be higher due to inflation, changes in technology, or changes in regulations.

**D. Joint Ventures**

The Upper Cumberland Regional Airport was established as a joint venture between White County, Putnam County, the City of Cookeville, and the City of Sparta. The Upper Cumberland Regional Airport operates the regional airport for the two-county area. The five-member board of the airport is comprised of one member appointed by each of the four participating governments with the fifth member of the board being the chief executive of one of the participating governments. This fifth board position serves a one-year term and rotates among the four participating governments in a prescribed order. Each participant retains a 25 percent ownership in the airport. White County contributed \$28,000 to the Upper Cumberland Regional Airport for the year ended June 30, 2020.

The Thirteenth Judicial District Drug Task Force (DTF) is a joint venture formed by an interlocal agreement between the district attorney general of the Thirteenth Judicial District, Clay, Cumberland, DeKalb, Overton, Pickett, Putnam, Overton, and White counties, and participating municipalities within the district. The purpose of the DTF is to provide multi-jurisdictional law enforcement to promote the investigation and prosecution of drug-related activities. Funds for the operations of the DTF come primarily from federal grants, drug fines, and the forfeiture of drug-related assets to the DTF. The DTF is overseen by the district attorney general and is governed by a board of directors including the district attorney general, sheriffs, and police chiefs of participating law enforcement agencies within each judicial district. White County did not make appropriations to the DTF for the year ended June 30, 2020.

On June 30, 2011, White County entered into an interlocal agreement with Putnam County and the Cities of Algood, Monterey, and Sparta to provide planning services for the area that were formerly provided by the Regional Planning Offices operated by the State of Tennessee. The Planning Services Executive Committee is comprised of each of the county/city mayors/executives for the participating entities. Each county/city agreed to an annual contribution for planning services to be administered by the Putnam County Executive in accordance with a budget approved by the Executive Committee. White County contributed \$16,502 for planning services for the year ended June 30, 2020. This interlocal agreement ended December 31, 2019.

White County does not have an equity interest in any of the above-noted joint ventures. Complete financial statements for the Upper Cumberland Regional Airport, the DTF, and Planning Services can be obtained from their respective administrative offices at the following addresses:

Administrative Offices:

Upper Cumberland Regional Airport  
750 Airport Road  
Sparta, TN 38583-8077

Office of District Attorney General  
Thirteenth Judicial District Drug Task Force  
1519A East Spring Street  
Cookeville, TN 38506

Planning Services  
c/o Putnam County Executive  
300 East Spring Street, Room 8  
Cookeville, TN 38501

**E. Jointly Governed Organization**

The Tri-County Railroad Authority was jointly created by White, Coffee, and Warren counties. The Tri-County Railroad Authority's board comprises the county executive/mayor of each county and one member selected by the governing body of each county; however, the counties do not have any ongoing financial interest or responsibility for the entity.

**F. Retirement Commitments**

**1. Tennessee Consolidated Retirement System (TCRS)**

**Primary Government**

**General Information About the Pension Plan**

*Plan Description.* Employees of White County and non-certified employees of the discretely presented White County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 59.31 percent, the non-certified employees of the discretely presented school department comprise 40.69 percent of the plan based on contribution data. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers



the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. The chief legislative body may adopt the benefit terms permitted by statute. Members are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. Reduced benefits for early retirement are available to vested members at age 55. Members vest with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria.

*Employees Covered by Benefit Terms.* At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

Inactive Employees or Beneficiaries Currently	
Receiving Benefits	268
Inactive Employees Entitled to But Not Yet Receiving	
Benefits	600
Active Employees	438
Total	<u><u>1,306</u></u>

*Contributions.* Contributions for employees are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Employees contribute five percent of salary. White County makes employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. For the year ended June 30, 2020, the employer contribution for White County was \$800,165 based on a rate of 6.34 percent of covered payroll. By law, employer contributions are required to be paid. The TCRS may intercept White County's state shared taxes if required employer contributions are not remitted. The employer's actuarially determined contributions (ADC) and member contributions are expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

## Net Pension Liability (Asset)

White County's net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate net pension liability (asset) was determined by an actuarial valuation as of that date.

*Actuarial Assumptions.* The total pension liability as of the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation

Mortality rates were based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best-estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return	Percentage Target Allocations
U.S. Equity Developed Market	5.69 %	31 %
International Equity Emerging Market	5.29	14
International Equity Private Equity and Strategic Lending	6.36	4
U.S. Fixed Income	5.79	20
Real Estate	2.01	20
Short-term Securities	4.32	10
	0.00	1
Total		100 %

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from White County will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

### Changes in the Net Pension Liability (Asset)

	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (Asset) (a)-(b)
Balance, July 1, 2018	\$ 24,621,589	\$ 25,018,788	\$ (397,199)
Changes for the Year:			
Service Cost	\$ 827,015	\$ 0	\$ 827,015
Interest	1,796,226	0	1,796,226
Differences Between Expected and Actual Experience	791,195	0	791,195
Contributions-Employer	0	732,675	(732,675)
Contributions-Employees	0	584,171	(584,171)
Net Investment Income	0	1,860,462	(1,860,462)
Benefit Payments, Including Refunds of Employee Contributions	(1,346,140)	(1,346,140)	0
Administrative Expense	0	(35,940)	35,940
Net Changes	\$ 2,068,296	\$ 1,795,228	\$ 273,068
Balance, June 30, 2019	\$ 26,689,885	\$ 26,814,016	\$ (124,131)

### Allocation of Agent Plan Changes in the Net Pension Liability (Asset)

		Total Pension Liability	Plan Fiduciary Net Position	Net Pension Liability (Asset)
Primary Government	56.48%	\$ 15,074,447	\$ 15,144,556	\$ (70,109)
Business-type Activities	2.83%	\$ 755,324	\$ 758,837	\$ (3,513)
School Department	40.69%	11,615,438	11,669,460	(50,509)
Total		\$ 26,689,885	\$ 26,814,016	\$ (124,131)

*Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the net pension liability (asset) of White County calculated using the discount rate of 7.25 percent, as well as what the net pension liability (asset) would be if it were

calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

	1% Decrease	Current Discount Rate	1% Increase
White County	6.25%	7.25%	8.25%

Net Pension Liability	\$ 3,037,550	\$ (124,131)	\$ (2,760,200)
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**Pension Expense (Negative Pension Expense) and Deferred Outflows of Resources and Deferred Inflows of Resources to Pensions**

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2020, White County recognized pension expense of \$711,999.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, White County reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 683,760	\$ 232,770
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	307,068
Changes in Assumptions	423,291	0
Contributions Subsequent to the Measurement Date of June 30, 2019 (1)	800,165	N/A
Total	<u>\$ 1,907,216</u>	<u>\$ 539,838</u>

- (1) The amount shown above for “Contributions Subsequent to the Measurement Date of June 30, 2019,” will be recognized as a reduction (increase) to net pension liability (asset) in the following measurement period.

Allocation of Agent Plan Deferred Outflows of Resources and  
Deferred Inflows of Resources

	Deferred Outflows of Resources	Deferred Inflows of Resources
Primary Government	\$ 1,083,337	\$ 304,901
Business-type Activities	52,778	15,277
School Department	771,101	219,660
Total	<u>\$ 1,907,216</u>	<u>\$ 539,838</u>

Amounts reported as deferred outflows of resources, with the exception of contributions subsequent to the measurement date, and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ 115,195
2022	72,681
2023	230,894
2024	148,446
2025	0
Thereafter	0

In the table shown above, positive amounts will increase pension expense while negative amounts will decrease pension expense.

**Discretely Presented White County School Department**

**Non-certified Employees**

**General Information About the Pension Plan**

*Plan Description.* As noted above under the primary government, employees of White County and non-certified employees of the discretely presented White County School Department are provided a defined benefit pension plan through the Public Employee Retirement Plan, an agent multiple-employer pension plan administered by the TCRS. The primary government employees comprise 59.31 percent and the non-certified employees of the discretely presented school

department comprise 40.69 percent of the plan based on contribution data.

### **Certified Employees**

### **Teacher Retirement Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the White County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan is closed to new membership. Teachers with membership in the TCRS after June 30, 2014, are provided with pensions through a legally separate plan referred to as the Teacher Retirement Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members are eligible to retire with an unreduced benefit at age 65 with five years of service credit or pursuant to the rule of 90 in which the member's age and service credit total 90. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 60 or pursuant to the rule of 80. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent

COLA is granted if the CPI change is between one-half percent and one percent. Members who leave employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Retirement Plan, benefit terms and conditions, including COLA, can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly or by automatic cost controls set out in law. Teachers are required to contribute five percent of their salary to the plan. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. Per the statutory provisions governing TCRS, the employer contribution rate cannot be less than four percent, except in years when the maximum funded level, approved by the TCRS Board of Trustees, is reached. By law, employer contributions for the Teacher Retirement Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions for the year ended June 30, 2020, to the Teacher Retirement Plan were \$50,747, which is 2.03 percent of covered payroll. In addition, employer contributions of \$45,894, which is 1.97 percent of covered payroll, were made to the Pension Stabilization Reserve Trust Fund to fund future pension costs. The employer rate, when combined with member contributions and the stabilization reserve trust funds, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

**Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Liabilities (Assets).* At June 30, 2020, the school department reported a liability (asset) of (\$111,514) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability (asset) used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was .197549 percent. The proportion as of June 30, 2018, was .189466 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2020, the school department recognized pension expense of \$33,512.



*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 4,624	\$ 19,467
Net Difference Between Projected and Actual Earnings on Pension Plan		
Investments	0	4,715
Changes in Assumptions	3,875	0
Changes in Proportion of Net Pension Liability (Asset)	0	16,249
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	50,747	N/A
Total	\$ 59,246	\$ 40,431

The school department's employer contributions of \$50,747, reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as an increase of net pension asset in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (3,849)
2022	(4,570)
2023	(3,248)
2024	(2,574)
2025	(2,382)
Thereafter	(15,310)

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

*Actuarial Assumptions.* The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based on actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:

School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
Net Pension Liability	\$ 35,332	\$ (111,514)	\$ (220,060)

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

### **Teacher Legacy Pension Plan**

#### **General Information About the Pension Plan**

*Plan Description.* Teachers of the White County School Department with membership in the TCRS before July 1, 2014, are provided with pensions through the Teacher Legacy Pension Plan, a cost-sharing multiple-employer pension plan administered by the TCRS. The Teacher Legacy Pension Plan closed to new membership on June 30, 2014, but will continue providing benefits to existing members and retirees. Beginning July 1, 2014, the Teacher Retirement Plan became effective for teachers employed by LEAs after June 30, 2014. The Teacher Retirement Plan is a separate cost-sharing, multiple-employer defined benefit plan. The TCRS was created by state statute under *Tennessee Code Annotated (TCA)*, Title 8, Chapters 34-37. The TCRS Board of Trustees is responsible for the proper operation and administration of all employer pension plans in the TCRS. The Tennessee Treasury Department, an agency in the legislative branch of state government, administers the plans of the TCRS. The TCRS issues a publicly available financial report that can be obtained at [www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies](http://www.treasury.tn.gov/Retirement/Boards-and-Governance/Reporting-and-Investment-Policies).

*Benefits Provided.* TCA, Title 8, Chapters 34-37 establish the benefit terms and can be amended only by the Tennessee General Assembly. Members of the Teacher Legacy Pension Plan are eligible to retire with an unreduced benefit at age 60 with five years of service credit or after 30 years of service credit regardless of age. Benefits are determined by a formula using the member's highest five consecutive year average compensation and the member's years of service credit. A reduced early retirement benefit is available to vested members at age 55. Members are vested with five years of service credit. Service related disability benefits are provided regardless of length of service. Five years of service is required for non-service related disability eligibility. The service related and non-service related disability benefits are determined in the same manner as a service retirement benefit but are reduced ten percent and include projected service credits. A variety of

death benefits is available under various eligibility criteria. Member and beneficiary annuitants are entitled to an automatic cost of living adjustment (COLA) after retirement. A COLA is granted each July for annuitants retired prior to the second of July of the previous year. The COLA is based on the change in the consumer price index (CPI) during the prior calendar year, capped at three percent, and applied to the current benefit. No COLA is granted if the change in the CPI is less than one-half percent. A one percent COLA is granted if the CPI change is between one-half and one percent. A member who leaves employment may withdraw their employee contributions, plus any accumulated interest. Under the Teacher Legacy Pension Plan, benefit terms and conditions, including COLAs can be adjusted on a prospective basis. Moreover, there are defined cost controls and unfunded liability controls that provide for the adjustment of benefit terms and conditions on an automatic basis.

*Contributions.* Contributions for teachers are established in the statutes governing the TCRS and may only be changed by the Tennessee General Assembly. Teachers are required to contribute five percent of their salaries. The Local Education Agencies (LEAs) make employer contributions at the rate set by the Board of Trustees as determined by an actuarial valuation. By law, employer contributions for the Teacher Legacy Pension Plan are required to be paid. The TCRS may intercept the state shared taxes of the sponsoring governmental entity of the LEA if the required employer contributions are not remitted. Employer contributions by the White County School Department for the year ended June 30, 2020, to the Teacher Legacy Pension Plan were \$1,491,395, which is 10.63 percent of covered payroll. The employer rate, when combined with member contributions, is expected to finance the costs of benefits earned by members during the year, the cost of administration, as well as an amortized portion of any unfunded liability.

#### **Pension Liabilities (Assets), Pension Expense (Negative Pension Expense), and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions**

*Pension Liability (Assets).* At June 30, 2020, the school department reported a liability (asset) of (\$4,348,281) for its proportionate share of the net pension liability (asset). The net pension liability (asset) was measured as of June 30, 2019, and the total pension liability used to calculate the net pension liability (asset) was determined by an actuarial valuation as of that date. The school department's proportion of the net pension liability (asset) was based on the school department's long-term share of contributions to the pension plan relative to the contributions of all participating LEAs. At the measurement date of June 30, 2019, the school department's proportion was .422910 percent. The proportion measured at June 30, 2018, was .421432 percent.

*Pension Expense (Negative Pension Expense).* For the year ended June 30, 2020, the school department recognized pension expense of \$626,370.

*Deferred Outflows of Resources and Deferred Inflows of Resources.* For the year ended June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 211,707	\$ 2,656,016
Changes in Assumptions	585,953	0
Net Difference Between Projected and Actual Earnings on Pension Plan Investments	0	1,242,388
Changes in Proportion of Net Pension Liability (Asset)	109,823	941
LEA's Contributions Subsequent to the Measurement Date of June 30, 2019	1,491,395	N/A
Total	<u>\$ 2,398,878</u>	<u>\$ 3,899,345</u>

The school department's employer contributions of \$1,491,395 reported as pension related deferred outflows of resources subsequent to the measurement date, will be recognized as a decrease in net pension liability in the year ending June 30, 2021. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year Ending June 30	Amount
2021	\$ (841,148)
2022	(1,198,127)
2023	(539,899)
2024	(412,688)
2025	0
Thereafter	0

In the table above, positive amounts will increase pension expense, while negative amounts will decrease pension expense.

*Actuarial Assumptions.* The total pension liability in the June 30, 2019, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.5%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation, Averaging 4%
Investment Rate of Return	7.25%, Net of Pension Plan Investment Expenses, Including Inflation
Cost of Living Adjustment	2.25%

Mortality rates are based actual experience including an adjustment for some anticipated improvement.

The actuarial assumptions used in the June 30, 2019, actuarial valuation were based on the results of an actuarial experience study performed for the period July 1, 2012, through June 30, 2016. The demographic assumptions were adjusted to more closely reflect actual and expected future experience.

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees in conjunction with the June 30, 2016, actuarial experience study. A blend of future capital market projections and historic market returns was used in a building-block method in which a best-estimate of expected future real rates of return (expected returns, net of pension plan investments expense and inflation) is developed for each major asset class. These best estimates are combined to produce the long-term expected rate of return by weighing the expected future real rates of return by the target asset allocation percentage and by adding expected inflation of 2.5 percent. The best-estimates of geometric real rates of return and the TCRS investment policy target asset allocation for each major asset class are summarized in the following table:

Asset Class	Percentage Long-term Expected Real Rate of Return		Percentage Target Allocations	
U.S. Equity	5.69	%	31	%
Developed Market				
International Equity	5.29		14	
Emerging Market				
International Equity	6.36		4	
Private Equity and				
Strategic Lending	5.79		20	
U.S. Fixed Income	2.01		20	
Real Estate	4.32		10	
Short-term Securities	0.00		1	
Total			100	%

The long-term expected rate of return on pension plan investments was established by the TCRS Board of Trustees as 7.25 percent based on a blending of the factors described above.

*Discount Rate.* The discount rate used to measure the total pension liability was 7.25 percent. The projection of cash flows used to determine the discount rate assumes that employee contributions will be made at the current rate and that contributions from all the LEAs will be made at the actuarially determined contribution rate pursuant to an actuarial valuation in accordance with the funding policy of the TCRS Board of Trustees and as required to be paid by state statute. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

*Sensitivity of the Proportionate Share of Net Pension Liability (Asset) to Changes in the Discount Rate.* The following presents the school department's proportionate share of the net pension liability (asset) calculated using the discount rate of 7.25 percent, as well as what the school department's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is one percentage point lower (6.25 percent) or one percentage point higher (8.25 percent) than the current rate:



School Department's Proportionate Share of the Net Pension Liability (Asset)	1% Decrease 6.25%	Current Discount Rate 7.25%	1% Increase 8.25%
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Net Pension Liability    \$    8,890,978    \$ (4,348,281)    \$ (14,879,744)

*Pension Plan Fiduciary Net Position.* Detailed information about the pension plan's fiduciary net position is available in a separately issued TCRS financial report.

## 2. **Deferred Compensation**

White County offers its employees two deferred compensation plans, one established pursuant to IRC Section 457 and the other pursuant to IRC Section 401(k). The White County School Department offers its employees a deferred compensation plan established pursuant to IRC Section 403(b). All costs of administering and funding these programs are the responsibility of the plan participants. The Section 401(k), 457 and 403(b) plan assets remain the property of the contributing employees and are not presented in the accompanying financial statements. IRC Sections 401(k), 457 and 403(b) establish participation, contribution, and withdrawal provisions for the plans.

Teachers hired after July 1, 2014, by the school department are required to participate in a hybrid pension plan consisting of a defined benefit portion, which is detailed in the pensions footnote above and is managed by the Tennessee Consolidated Retirement System, and a defined contribution portion, which is placed into the state's 401(k) plan and is managed by the employee. The defined contribution portion of the plan requires that the school department contribute five percent of each teacher's salary into their deferred compensation plan. In addition, teachers are required to contribute two percent of their salaries into this deferred compensation plan, unless they opt out of the employee portion. During the year, the school department contributed \$123,937 and teachers contributed \$97,771 to this deferred compensation pension plan.

## G. **Other Postemployment Benefits (OPEB)**

### **Closed Local Education (LEP) OPEB Plan (Discretely Presented School Department)**

*Plan Description.* Employees of the White County School Department who were hired prior to July 1, 2015, are provided with pre-65 retiree health insurance benefits through the closed Local Education Plan (LEP) administered by the Tennessee Department of Finance and Administration. All eligible pre-65 retired teachers, support staff, and disability participants of

local education agencies, who choose coverage, participate in the LEP. This plan is closed to the employees of all participating employers that were hired on or after July 1, 2015.

*Benefits Provided.* The White County School Department offers the LEP to provide health insurance coverage to eligible pre-65 retirees, support staff, and disabled participants of local education agencies. Retirees are required to discontinue coverage under the LEP upon obtaining Medicare eligibility. Insurance coverage is the only postemployment benefit provided to retirees. An insurance committee created in accordance with *TCA 8-27-301* establishes and amends the benefit terms of the LEP. All members have the option of choosing between the premier preferred provider organization (PPO), standard PPO, limited PPO, or the wellness health savings consumer-driven health plan (CDHP) for healthcare benefits. Retired plan members of the LEP receive the same plan benefits as active employees at a blended premium rate that considers the cost of all participants. This creates an implicit subsidy for retirees. Participating employers determine their own policy related to direct subsidies provided for retiree premiums. The school department does not provide a direct subsidy and is only subject to the implicit subsidy. The state, as a governmental non-employer contributing entity, provides a direct subsidy for eligible retirees premiums based on years of service. Therefore, retirees with 30 or more years of service will receive 45 percent; 20 but less than 30 years, 35 percent; and less than 20 years, 20 percent of the scheduled premium. No subsidy is provided for enrollees of the health savings CDHP.

Employees Covered by Benefit Terms

At the measurement date of June 30, 2019, the following employees were covered by the benefit terms:

	<u>School Department</u>
Inactive Employees or Beneficiaries Currently	38
Inactive Employees Entitled to But Not Yet Receiving Benefits	1
Active Employees	363
Total	<u><u>402</u></u>

A state insurance committee, created in accordance with *TCA 8-27-301*, establishes the required payments to the LEP by member employers and employees through the blended premiums established for active and retired employees. Claims liabilities of the plan are periodically computed using actuarial and statistical techniques to establish premium rates. Administrative costs are allocated to plan participants. Employers contribute

towards employee costs based on their own developed policies. During the current reporting period, the school department paid \$218,633 to the LEP for OPEB benefits as they came due.

Changes in the Collective Total OPEB Liability

	Share of Collective Liability		
	White County School Department 62.85%	State of TN 37.15%	Total OPEB Liability
Balance July 1, 2018	\$ 3,069,414	\$ 1,747,060	\$ 4,816,474
Changes for the Year:			
Service Cost	\$ 143,503	\$ 84,811	\$ 228,314
Interest	110,624	65,379	176,003
Difference between Expected and Actuarial Experience	682,994	403,654	1,086,648
Changes in Assumption and Other Inputs	(292,254)	(172,723)	(464,977)
Change in Proportion	(42,099)	42,099	0
Benefit Payments	(231,872)	(137,037)	(368,909)
Net Changes	\$ 370,896	\$ 286,183	\$ 657,079
Balance June 30, 2019	\$ 3,440,310	\$ 2,033,243	\$ 5,473,553

The White County School Department has a special funding situation related to benefits paid by the State of Tennessee for its eligible retired employees participating in the LEP. The White County School Department's proportionate share of the collective total OPEB liability was based on a projection of the employer's long-term share of benefit payments to the OPEB plan relative to the projected share of benefit payments of all participating employers and nonemployer contributing entities, actuarially determined. The school department recognized \$150,835 in revenue for subsidies provided by nonemployer contributing entities for benefits paid by the LEP for school department retirees.

During the year, the White County School Department's proportionate share of the collective OPEB liability was 62.85 percent and the State of Tennessee's share was 37.15 percent.

OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources. For the year ended June 30, 2020, the school department recognized OPEB expense of \$387,088, including the state's share of the expense. At June 30, 2020, the school department reported deferred outflows of resources and deferred inflows of resources related to its proportionate share of OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference Between Expected and Actual Experience	\$ 613,158	\$ 383,515
Changes of Assumptions/Inputs	57,282	372,822
Changes in Proportion and Differences Between Amounts Paid as Benefits Came Due and Proportionate Share Amounts Paid by the Employer and Nonemployer Contributors As Benefits Came Due	0	62,186
Benefits Paid After the Measurement Date of June 30, 2019	218,633	0
Total	<u>\$ 889,073</u>	<u>\$ 818,523</u>

Amounts reported as deferred inflows and deferred outflows of resources (excluding benefits paid after the measurement date) related to OPEB will be recognized in OPEB expense as follows:

Year Ending June 30	School Department
2021	\$ (17,874)
2022	(17,874)
2023	(17,874)
2024	(17,874)
2025	(17,874)
Thereafter	(58,713)

In the table shown above, positive amounts will increase OPEB expense while negative amounts will decrease OPEB expense.

*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Discount Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a discount rate that is one percentage point lower or one percentage point higher than the current discount rate.

<u>Discount Rate</u>	1%	Current	1%
	Decrease	Discount	Increase
	2.51%	Rate	4.51%
		3.51%	

Proportionate Share of the Collective Total OPEB Liability	\$ 3,699,137	\$ 3,440,310	\$ 3,196,505
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*Sensitivity of Proportionate Share of the Collective Total OPEB Liability to Changes in the Healthcare Cost Trend Rate.* The following presents the school department's proportionate share of the collective total OPEB liability related to the LEP, as well as what the proportionate share of the collective total OPEB liability would be if it were calculated using a healthcare cost trend rate that is one percentage point lower or one percentage point higher than the current healthcare cost trend rate.

<u>Healthcare Cost Trend Rate</u>	1%	Current	1%
	Decrease	Rates	Increase
	5.03 to 3.5%	6.03 to 4.5%	7.03 to 5.5%

Proportionate Share of the Collective Total OPEB Liability	\$ 3,091,890	\$ 3,440,310	\$ 3,851,470
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#### **H. Office of Central Accounting, Budgeting, and Purchasing**

White County operates under provisions of the County Financial Management System of 1981. This act provides for a central system of accounting, budgeting, and purchasing for all county departments. The act also provides for the creation of a finance department operated under the direction of the finance director.

#### **I. Purchasing Law**

##### Office of Director of Finance

The County Financial Management System of 1981 provides for the finance director or a deputy appointed by him to serve as the county purchasing agent. The finance director serves as the purchasing agent for White County. All purchase orders are issued by the finance department. Purchases exceeding \$25,000 are required to be competitively bid.

**J.     Subsequent Event**

In July 2019, a complaint was filed in U.S. Court for the Middle District of Tennessee against White County Sheriff's Department on behalf of former employees for alleged Fair Standards Labor Act violations for unpaid overtime. On August 17, 2020, the county settled the suit for \$225,000 (\$150,418 paid by the county with remaining balance paid by insurance).

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## REQUIRED SUPPLEMENTARY INFORMATION

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Exhibit F-1

White County, Tennessee  
Schedule of Changes in Net Pension Liability (Asset) and Related Ratios Based on  
Participation in the Public Employee Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019
<b>Total Pension Liability</b>						
Service Cost	\$ 680,250	\$ 680,416	\$ 731,042	\$ 741,158	\$ 815,428	\$ 827,015
Interest	1,388,943	1,412,792	1,561,704	1,601,772	1,712,771	1,796,226
Differences Between Actual and Expected Experience	(834,114)	811,882	(757,424)	101,609	(135,476)	791,195
Changes in Assumptions	0	0	0	846,582	0	0
Benefit Payments, Including Refunds of Employee Contributions	(880,857)	(953,655)	(986,787)	(1,035,607)	(1,160,257)	(1,346,140)
Net Change in Total Pension Liability	\$ 354,222	\$ 1,951,435	\$ 548,535	\$ 2,255,514	\$ 1,232,466	\$ 2,068,296
Total Pension Liability, Beginning	18,279,417	18,633,639	20,585,074	21,133,609	23,389,123	24,621,589
Total Pension Liability, Ending (a)	\$ 18,633,639	\$ 20,585,074	\$ 21,133,609	\$ 23,389,123	\$ 24,621,589	\$ 26,689,885
<b>Plan Fiduciary Net Position</b>						
Contributions - Employer	\$ 560,956	\$ 572,790	\$ 594,340	\$ 643,898	\$ 698,000	\$ 732,675
Contributions - Employee	473,464	490,562	511,182	570,805	550,665	584,171
Net Investment Income	2,728,560	593,290	529,149	2,338,920	1,915,549	1,860,462
Benefit Payments, Including Refunds of Employee Contributions	(880,857)	(953,655)	(986,787)	(1,035,607)	(1,160,257)	(1,346,140)
Administrative Expense	(14,700)	(20,473)	(26,621)	(31,847)	(36,460)	(35,940)
Other	0	0	0	1,337	0	0
Net Change in Plan Fiduciary Net Position	\$ 2,867,423	\$ 682,514	\$ 621,263	\$ 2,487,506	\$ 1,967,497	\$ 1,795,228
Plan Fiduciary Net Position, Beginning	16,392,585	19,260,008	19,942,522	20,563,785	23,051,291	25,018,788
Plan Fiduciary Net Position, Ending (b)	\$ 19,260,008	\$ 19,942,522	\$ 20,563,785	\$ 23,051,291	\$ 25,018,788	\$ 26,814,016
Net Pension Liability (Asset), Ending (a - b)	\$ (626,369)	\$ 642,552	\$ 569,824	\$ 337,832	\$ (397,199)	\$ (124,131)
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	103.36%	96.88%	97.30%	98.56%	101.61%	100.47%
Covered Payroll	\$ 9,459,635	\$ 9,808,041	\$ 10,188,843	\$ 10,577,496	\$ 11,005,929	\$ 11,556,390
Net Pension Liability (Asset) as a Percentage of Covered Payroll	6.62%	6.55%	5.59%	3.19%	(3.61)%	(1.07)%

Note: Ten years of data will be presented when available.

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.



Exhibit F-2

White County, Tennessee  
Schedule of Contributions Based on Participation in the Public  
Employee Pension Plan of TCRS  
Primary Government  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020
Actuarially Determined Contribution	\$ 560,956	\$ 572,790	\$ 594,340	\$ 643,898	\$ 698,000	\$ 703,784	\$ 800,165
Less Contributions in Relation to the Actuarially Determined Contribution	(560,956)	(572,790)	(594,340)	(643,898)	(698,000)	(732,675)	(800,165)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ (28,891)	\$ 0
Covered Payroll	\$ 9,459,635	\$ 9,782,892	\$ 10,188,843	\$ 10,577,496	\$ 11,005,929	\$ 11,556,390	\$ 12,613,740
Contributions as a Percentage of Covered Payroll	5.93%	5.86%	5.83%	6.09%	6.34%	6.34%	6.34%

Note: Ten years of data will be presented when available.

Note: The agent plan is a single plan reported under one account with the Tennessee Consolidated Retirement System. This plan covers employees of the primary government and non-certified employees of the discretely presented school department.

Exhibit F-3

White County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Retirement Plan of TCRS  
Discretely Presented White County School Department  
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 5,177	\$ 22,189	\$ 38,413	\$ 66,228	\$ 40,555	\$ 50,747
Less Contributions in Relation to the						
Contractually Required Contribution	(5,177)	(22,189)	(38,413)	(66,228)	(40,555)	(50,747)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 129,411	\$ 554,731	\$ 960,319	\$ 1,655,692	\$ 2,090,474	\$ 2,499,860
Contributions as a Percentage of Covered Payroll	4.00%	4.00%	4.00%	4.00%	1.94%	2.03%

Note: Ten years of data will be presented when available.

Exhibit F-4

White County, Tennessee  
Schedule of Contributions Based on Participation in the Teacher  
Legacy Pension Plan of TCRS  
Discretely Presented White County School Department  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019	2020
Contractually Required Contribution	\$ 1,319,234	\$ 1,290,415	\$ 1,274,227	\$ 1,298,110	\$ 1,339,950	\$ 1,483,311	\$ 1,491,395
Less Contributions in Relation to the Contractually Required Contribution	(1,319,234)	(1,290,415)	(1,274,227)	(1,298,110)	(1,339,950)	(1,483,311)	(1,491,395)
Contribution Deficiency (Excess)	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Covered Payroll	\$ 14,856,244	\$ 14,274,469	\$ 14,098,062	\$ 14,359,603	\$ 14,757,157	\$ 14,180,803	\$ 14,030,098
Contributions as a Percentage of Covered Payroll	8.88%	9.04%	9.04%	9.04%	9.08%	10.46%	10.63%

Note: Ten years of data will be presented when available.

Exhibit F-5

White County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Pension Plan of TCRS  
Discretely Presented White County School Department  
For the Fiscal Year Ended June 30

	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Asset	0.062286%	0.126073%	0.146314%	0.189466%	0.197549%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (2,507)	\$ (13,125)	\$ (38,603)	\$ (85,928)	\$ (111,514)
Covered Payroll	\$ 129,411	\$ 554,731	\$ 960,319	\$ 1,655,692	\$ 2,090,474
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(1.94)%	(2.37)%	(4.02)%	(5.19)%	(5.33)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	127.46%	121.88%	126.81%	126.97%	123.07%

Note: Ten years of data will be presented when available.

Exhibit F-6

White County, Tennessee  
Schedule of Proportionate Share of the Net Pension Asset  
in the Teacher Legacy Pension Plan of TCRS  
Discretely Presented White County School Department  
For the Fiscal Year Ended June 30

	2014	2015	2016	2017	2018	2019
School Department's Proportion of the Net Pension Liability	0.378504%	0.381314%	0.390477%	0.406219%	0.421432%	0.422910%
School Department's Proportionate Share of the Net Pension Liability (Asset)	\$ (61,505)	\$ 156,199	\$ 2,440,265	\$ (132,909)	\$ (1,482,982)	\$ (4,348,281)
Covered Payroll	\$ 14,856,243	\$ 14,274,469	\$ 14,095,428	\$ 14,359,603	\$ 14,757,157	\$ 14,180,803
School Department's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered Payroll	(0.41)%	1.09%	17.31%	(0.93)%	(10.05)%	(30.66)%
Plan Fiduciary Net Position as a Percentage of the Total Pension Liability	100.08%	99.81%	97.14%	100.14%	101.49%	104.28%

Note: Ten years of data will be presented when available.

White County, Tennessee  
Schedule of Changes in the Total OPEB Liability and Related Ratios - Local Education Plan  
Discretely Presented White County School Department  
For the Fiscal Year Ended June 30

<b>Total OPEB Liability</b>	2017	2018	2019
Service Cost	\$ 271,952	\$ 250,652	\$ 228,314
Interest	163,174	193,163	176,003
Changes in Benefit Terms	0	0	0
Differences Between Actual and Expected Experience	0	(745,770)	1,086,648
Changes in Assumptions or Other Inputs	(245,100)	111,389	(464,977)
Benefit Payments	(325,446)	(336,460)	(368,909)
Net Change in Total OPEB Liability	\$ (135,420)	\$ (527,026)	\$ 657,079
Total OPEB Liability, Beginning	5,478,920	5,343,500	4,816,474
Total OPEB Liability, Ending	\$ 5,343,500	\$ 4,816,474	\$ 5,473,553
Nonemployer Contributing Entity Proportionate Share of the Total OPEB Liability	\$ 1,933,636	\$ 1,747,060	\$ 2,033,243
Employer Proportionate Share of the Total OPEB Liability	3,409,864	3,069,414	3,440,310
Covered Employee Payroll	\$ 16,700,836	\$ 16,274,277	\$ 23,909,951
Net OPEB Liability as a Percentage of Covered Employee Payroll	32.00%	29.60%	22.89%

Note 1 : Ten years of data will be presented when available.

Note 2: Changes in assumptions.

(a) The following are the discount rates used in each period:

2016	2.92%
2017	3.56%
2018	3.62%
2019	3.51%

(b) The assumed initial trend rate applicable to the 2019 plan year was revised from 5.4% to 6.75%

Note 3: No assets are accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75

**WHITE COUNTY, TENNESSEE**  
**NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION**  
**For the Year Ended June 30, 2020**

**TENNESSEE CONSOLIDATED RETIREMENT SYSTEM**

*Valuation Date:* Actuarially determined contribution rates for fiscal year 2020 were calculated based on the June 30, 2018, actuarial valuation.

Methods and assumptions used to determine contribution rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Dollar, Closed (Not to Exceed 20 Years)
Remaining Amortization Period	Varies by Year
Asset Valuation	10-Year Smoothed Within a 20% Corridor to Market Value
Inflation	2.50%
Salary Increases	Graded Salary Ranges from 8.72% to 3.44% Based on Age, Including Inflation
Investment Rate of Return	7.25%, Net of Investment Expense, Including Inflation
Retirement Age	Pattern of Retirement Determined by Experience Study
Mortality	Customized Table Based on Actual Experience Including an Adjustment for Some Anticipated Improvement
Cost of Living Adjustment	2.25%

*Changes of assumptions.* In 2017, the following assumptions were changed: decreased inflation rate from 3 percent to 2.5 percent; decreased the investment rate of return from 7.5 percent to 7.25 percent; decreased the cost-of-living adjustment from 2.5 percent to 2.25 percent; decreased salary growth graded ranges from an average of 4.25 percent to an average of 4 percent; and modified mortality assumptions.

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**COMBINING AND INDIVIDUAL FUND  
FINANCIAL STATEMENTS AND SCHEDULES**

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# Nonmajor Governmental Funds

## Special Revenue Funds

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Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

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Industrial/Economic Development Fund – The Industrial/Economic Development Fund is used to account for transactions involving notes receivable from corporations.

Drug Control Fund – The Drug Control Fund is used to account for revenues received from drug-related fines, forfeitures, and seizures.

Constitutional Officers - Fees Fund – The Constitutional Officers - Fees Fund is used to account for operating expenses paid directly from the fee and commission accounts of the trustee, clerks, register of deeds, and sheriff.

## Capital Projects Funds

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Capital Projects Funds are used to account for and report financial resources that are restricted, committed, or assigned to expenditure for capital outlays, including the acquisition or construction of capital facilities and other capital assets.

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General Capital Projects Fund – The General Capital Projects Fund is used to account for general capital expenditures of the county.

Highway Capital Projects Fund – The Highway Capital Projects Fund is used to account for general capital expenditures of the highway department.

## Exhibit G-1

White County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds  
June 30, 2020

	Special Revenue Funds				Capital Projects Funds
	Industrial / Economic Development	Drug Control	Constitu - tional Officers - Fees	Total	General Capital Projects
<u>ASSETS</u>					
Cash	\$ 0	\$ 0	\$ 1,295	\$ 1,295	\$ 0
Equity in Pooled Cash and Investments	390,796	224,652	0	615,448	40,170
Accounts Receivable	0	0	13,717	13,717	0
Due from Other Governments	0	0	0	0	125,107
Notes Receivable - Long-term	214,764	0	0	214,764	0
Total Assets	\$ 605,560	\$ 224,652	\$ 15,012	\$ 845,224	\$ 165,277
<u>LIABILITIES</u>					
Accounts Payable	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contracts Payable	0	0	0	0	90,575
Retainage Payable	0	0	0	0	12,402
Due to Other Funds	0	0	15,012	15,012	0
Due to Litigants, Heirs, and Others	0	2,529	0	2,529	0
Total Liabilities	\$ 0	\$ 2,529	\$ 15,012	\$ 17,541	\$ 102,977
<u>FUND BALANCES</u>					
Restricted:					
Restricted for Public Safety	\$ 0	\$ 222,123	\$ 0	\$ 222,123	\$ 0
Restricted for Other Operations	605,560	0	0	605,560	0
Restricted for Highways/Public Works	0	0	0	0	0
Restricted for Capital Projects	0	0	0	0	62,300
Total Fund Balances	\$ 605,560	\$ 222,123	\$ 0	\$ 827,683	\$ 62,300
Total Liabilities and Fund Balances	\$ 605,560	\$ 224,652	\$ 15,012	\$ 845,224	\$ 165,277

(Continued)

## Exhibit G-1

White County, Tennessee  
Combining Balance Sheet  
Nonmajor Governmental Funds (Cont.)

	<u>Capital Projects Funds (Cont.)</u>		
	Highway Capital Projects	Total	Total Nonmajor Governmental Funds
<u>ASSETS</u>			
Cash	\$ 0	\$ 0	\$ 1,295
Equity in Pooled Cash and Investments	185,929	226,099	841,547
Accounts Receivable	0	0	13,717
Due from Other Governments	759,940	885,047	885,047
Notes Receivable - Long-term	0	0	214,764
Total Assets	<u>\$ 945,869</u>	<u>\$ 1,111,146</u>	<u>\$ 1,956,370</u>
<u>LIABILITIES</u>			
Accounts Payable	\$ 22,400	\$ 22,400	\$ 22,400
Contracts Payable	365,488	456,063	456,063
Retainage Payable	0	12,402	12,402
Due to Other Funds	0	0	15,012
Due to Litigants, Heirs, and Others	0	0	2,529
Total Liabilities	<u>\$ 387,888</u>	<u>\$ 490,865</u>	<u>\$ 508,406</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Public Safety	\$ 0	\$ 0	\$ 222,123
Restricted for Other Operations	0	0	605,560
Restricted for Highways/Public Works	557,981	557,981	557,981
Restricted for Capital Projects	0	62,300	62,300
Total Fund Balances	<u>\$ 557,981</u>	<u>\$ 620,281</u>	<u>\$ 1,447,964</u>
Total Liabilities and Fund Balances	<u>\$ 945,869</u>	<u>\$ 1,111,146</u>	<u>\$ 1,956,370</u>

Exhibit G-2

White County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds  
For the Year Ended June 30, 2020

	Special Revenue Funds			Capital Projects Funds
	Industrial / Economic Development	Drug Control	Total	General Capital Projects
<u>Revenues</u>				
Fines, Forfeitures, and Penalties	\$ 0	\$ 40,302	\$ 40,302	\$ 0
Other Local Revenues	1,847	5,404	7,251	0
State of Tennessee	0	0	0	235,631
Federal Government	0	0	0	0
Other Governments and Citizens Groups	0	0	0	0
Total Revenues	\$ 1,847	\$ 45,706	\$ 47,553	\$ 235,631
<u>Expenditures</u>				
Current:				
Public Safety	\$ 0	\$ 56,098	\$ 56,098	\$ 0
Other Operations	0	331	331	0
Capital Projects	0	0	0	262,411
Total Expenditures	\$ 0	\$ 56,429	\$ 56,429	\$ 262,411
Excess (Deficiency) of Revenues Over Expenditures	\$ 1,847	\$ (10,723)	\$ (8,876)	\$ (26,780)
<u>Other Financing Sources (Uses)</u>				
Transfers In	\$ 0	\$ 0	\$ 0	\$ 89,080
Transfers Out	0	0	0	(47,805)
Total Other Financing Sources (Uses)	\$ 0	\$ 0	\$ 0	\$ 41,275
Net Change in Fund Balances	\$ 1,847	\$ (10,723)	\$ (8,876)	\$ 14,495
Fund Balance, July 1, 2019	603,713	232,846	836,559	47,805
Fund Balance, June 30, 2020	\$ 605,560	\$ 222,123	\$ 827,683	\$ 62,300

(Continued)

Exhibit G-2

White County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances  
Nonmajor Governmental Funds (Cont.)

	<u>Capital Projects Funds (Cont.)</u>		Total Nonmajor Governmental Funds
	Highway Capital Projects	Total	
<u>Revenues</u>			
Fines, Forfeitures, and Penalties	\$ 0	\$ 0	\$ 40,302
Other Local Revenues	0	0	7,251
State of Tennessee	277,878	513,509	513,509
Federal Government	1,111,513	1,111,513	1,111,513
Other Governments and Citizens Groups	57,981	57,981	57,981
Total Revenues	<u>\$ 1,447,372</u>	<u>\$ 1,683,003</u>	<u>\$ 1,730,556</u>
<u>Expenditures</u>			
Current:			
Public Safety	\$ 0	\$ 0	\$ 56,098
Other Operations	0	0	331
Capital Projects	1,389,391	1,651,802	1,651,802
Total Expenditures	<u>\$ 1,389,391</u>	<u>\$ 1,651,802</u>	<u>\$ 1,708,231</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 57,981</u>	<u>\$ 31,201</u>	<u>\$ 22,325</u>
<u>Other Financing Sources (Uses)</u>			
Transfers In	\$ 0	\$ 89,080	\$ 89,080
Transfers Out	0	(47,805)	(47,805)
Total Other Financing Sources (Uses)	<u>\$ 0</u>	<u>\$ 41,275</u>	<u>\$ 41,275</u>
Net Change in Fund Balances	\$ 57,981	\$ 72,476	\$ 63,600
Fund Balance, July 1, 2019	<u>500,000</u>	<u>547,805</u>	<u>1,384,364</u>
Fund Balance, June 30, 2020	<u>\$ 557,981</u>	<u>\$ 620,281</u>	<u>\$ 1,447,964</u>

## Exhibit G-3

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Industrial/Economic Development Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Other Local Revenues	\$ 1,847	\$ 6,000	\$ 6,000	\$ (4,153)
Total Revenues	\$ 1,847	\$ 6,000	\$ 6,000	\$ (4,153)
 Total Expenditures	 \$ 0	 \$ 0	 \$ 0	 \$ 0
 Excess (Deficiency) of Revenues Over Expenditures	 \$ 1,847	 \$ 6,000	 \$ 6,000	 \$ (4,153)
 Net Change in Fund Balance	 \$ 1,847	 \$ 6,000	 \$ 6,000	 \$ (4,153)
Fund Balance, July 1, 2019	603,713	603,713	603,713	0
 Fund Balance, June 30, 2020	 \$ 605,560	 \$ 609,713	 \$ 609,713	 \$ (4,153)

Exhibit G-4

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Drug Control Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Fines, Forfeitures, and Penalties	\$ 40,302	\$ 0	\$ 0	\$ 40,302	\$ 41,000	\$ 41,000	\$ (698)
Other Local Revenues	5,404	0	0	5,404	1,000	1,000	4,404
Total Revenues	<u>\$ 45,706</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 45,706</u>	<u>\$ 42,000</u>	<u>\$ 42,000</u>	<u>\$ 3,706</u>
<u>Expenditures</u>							
<u>Public Safety</u>							
Drug Enforcement	\$ 56,098	\$ (713)	\$ 872	\$ 56,257	\$ 41,000	\$ 82,200	\$ 25,943
<u>Other Operations</u>							
Miscellaneous	331	0	0	331	1,000	1,000	669
Total Expenditures	<u>\$ 56,429</u>	<u>\$ (713)</u>	<u>\$ 872</u>	<u>\$ 56,588</u>	<u>\$ 42,000</u>	<u>\$ 83,200</u>	<u>\$ 26,612</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (10,723)</u>	<u>\$ 713</u>	<u>\$ (872)</u>	<u>\$ (10,882)</u>	<u>0</u>	<u>\$ (41,200)</u>	<u>\$ 30,318</u>
Net Change in Fund Balance	\$ (10,723)	\$ 713	\$ (872)	\$ (10,882)	0	\$ (41,200)	\$ 30,318
Fund Balance, July 1, 2019	<u>232,846</u>	<u>(713)</u>	<u>0</u>	<u>232,133</u>	<u>232,847</u>	<u>232,847</u>	<u>(714)</u>
Fund Balance, June 30, 2020	<u><u>\$ 222,123</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ (872)</u></u>	<u><u>\$ 221,251</u></u>	<u><u>\$ 232,847</u></u>	<u><u>\$ 191,647</u></u>	<u><u>\$ 29,604</u></u>

# **Major Governmental Fund**

## **General Debt Service Fund**

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The General Debt Service Fund is used to account for and report financial resources that are restricted, committed, or assigned to expenditure for principal and interest.

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## Exhibit H

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
General Debt Service Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Local Taxes	\$ 1,296,251	\$ 1,142,815	\$ 1,142,815	\$ 153,436
Other Local Revenues	288,511	250,000	250,000	38,511
State of Tennessee	3,516	3,348	3,348	168
Other Governments and Citizens Groups	1,200,000	1,250,000	1,250,000	(50,000)
Total Revenues	<u>\$ 2,788,278</u>	<u>\$ 2,646,163</u>	<u>\$ 2,646,163</u>	<u>\$ 142,115</u>
<u>Expenditures</u>				
<u>Principal on Debt</u>				
General Government	\$ 640,500	\$ 640,500	\$ 640,500	\$ 0
Education	1,444,500	1,444,500	1,444,500	0
<u>Interest on Debt</u>				
General Government	42,593	42,594	42,594	1
	719,366	719,366	719,366	0
<u>Other Debt Service</u>				
General Government	21,101	31,000	31,000	9,899
Total Expenditures	<u>\$ 2,868,060</u>	<u>\$ 2,877,960</u>	<u>\$ 2,877,960</u>	<u>\$ 9,900</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (79,782)</u>	<u>\$ (231,797)</u>	<u>\$ (231,797)</u>	<u>\$ 152,015</u>
Net Change in Fund Balance	<u>\$ (79,782)</u>	<u>\$ (231,797)</u>	<u>\$ (231,797)</u>	<u>\$ 152,015</u>
Fund Balance, July 1, 2019	<u>1,400,361</u>	<u>1,400,362</u>	<u>1,400,362</u>	<u>(1)</u>
Fund Balance, June 30, 2020	<u><u>\$ 1,320,579</u></u>	<u><u>\$ 1,168,565</u></u>	<u><u>\$ 1,168,565</u></u>	<u><u>\$ 152,014</u></u>

# Fiduciary Funds

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Agency Funds are used to account for assets held by the county in a trustee capacity or as an agent for individuals, private organizations, other governments, and/or other funds. Agency funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

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Cities - Sales Tax Fund – The Cities - Sales Tax Fund is used to account for the second half of the sales tax revenues collected inside incorporated cities of the county. These revenues are received by the county from the State of Tennessee and forwarded to the various cities on a monthly basis.

Constitutional Officers - Agency Fund – The Constitutional Officers - Agency Fund is used to account for amounts collected in an agency capacity by the county clerk, circuit and general sessions courts clerk, clerk and master, register of deeds, and sheriff. Such collections include amounts due the state, cities, other county funds, litigants, heirs, and others.

## Exhibit I-1

White County, Tennessee  
Combining Statement of Fiduciary Assets and Liabilities  
Fiduciary Funds  
June 30, 2020

	Agency Funds		
	Cities - Sales Tax	Constitu - tional Officers - Agency	Total
<u>ASSETS</u>			
Cash	\$ 0	\$ 1,312,233	\$ 1,312,233
Accounts Receivable	0	207	207
Due from Other Governments	361,981	0	361,981
Total Assets	<u>\$ 361,981</u>	<u>\$ 1,312,440</u>	<u>\$ 1,674,421</u>
<u>LIABILITIES</u>			
Due to Other Taxing Units	\$ 361,981	\$ 0	\$ 361,981
Due to Litigants, Heirs, and Others	0	1,312,440	1,312,440
Total Liabilities	<u>\$ 361,981</u>	<u>\$ 1,312,440</u>	<u>\$ 1,674,421</u>

## Exhibit I-2

White County, Tennessee  
Combining Statement of Changes in Assets and  
Liabilities - All Agency Funds  
For the Year Ended June 30, 2020

	Beginning Balance	Additions	Deductions	Ending Balance
<u>Cities - Sales Tax Fund</u>				
<u>Assets</u>				
Equity in Pooled Cash and Investments	\$ 0	\$ 1,919,396	\$ 1,919,396	\$ 0
Due from Other Governments	321,720	361,981	321,720	361,981
Total Assets	\$ 321,720	\$ 2,281,377	\$ 2,241,116	\$ 361,981
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 321,720	\$ 2,281,377	\$ 2,241,116	\$ 361,981
Total Liabilities	\$ 321,720	\$ 2,281,377	\$ 2,241,116	\$ 361,981
<u>Constitutional Officers - Agency Fund</u>				
<u>Assets</u>				
Cash	\$ 924,143	\$ 6,497,474	\$ 6,109,384	\$ 1,312,233
Accounts Receivable	0	207	0	207
Total Assets	\$ 924,143	\$ 6,497,681	\$ 6,109,384	\$ 1,312,440
<u>Liabilities</u>				
Due to Litigants, Heirs, and Others	\$ 924,143	\$ 6,497,681	\$ 6,109,384	\$ 1,312,440
Total Liabilities	\$ 924,143	\$ 6,497,681	\$ 6,109,384	\$ 1,312,440
<u>Totals - All Agency Funds</u>				
<u>Assets</u>				
Cash	\$ 924,143	\$ 6,497,474	\$ 6,109,384	\$ 1,312,233
Equity in Pooled Cash and Investments	0	1,919,396	1,919,396	0
Accounts Receivable	0	207	0	207
Due from Other Governments	321,720	361,981	321,720	361,981
Total Assets	\$ 1,245,863	\$ 8,779,058	\$ 8,350,500	\$ 1,674,421
<u>Liabilities</u>				
Due to Other Taxing Units	\$ 321,720	\$ 2,281,377	\$ 2,241,116	\$ 361,981
Due to Litigants, Heirs, and Others	924,143	6,497,681	6,109,384	1,312,440
Total Liabilities	\$ 1,245,863	\$ 8,779,058	\$ 8,350,500	\$ 1,674,421

# White County School Department

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This section presents combining and individual fund financial statements for the White County School Department, a discretely presented component unit. The school department uses a General Fund, two Special Revenue Funds, and one Capital Projects Fund.

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General Purpose School Fund – The General Purpose School Fund is used to account for general operations of the school department.

School Federal Projects Fund – The School Federal Projects Fund is used to account for restricted federal revenues, which must be expended on specific education programs.

Central Cafeteria Fund – The Central Cafeteria Fund is used to account for the cafeteria operations in each of the schools.

Education Capital Projects Fund – The Education Capital Projects Fund is used to account for building construction and renovations of the school department.

## Exhibit J-1

White County, Tennessee  
Statement of Activities  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

Functions/Programs	Expenses	Program Revenues			Net (Expense)
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Revenue and Changes in Net Position
					Total Governmental Activities
Governmental Activities:					
Instruction	\$ 22,965,173	\$ 78,126	\$ 2,043,032	\$ 31,823	\$ (20,812,192)
Support Services	10,726,248	90,766	85,438	0	(10,550,044)
Operation of Non-instructional Services	3,592,008	181,217	2,125,294	0	(1,285,497)
Total Governmental Activities	<u>\$ 37,283,429</u>	<u>\$ 350,109</u>	<u>\$ 4,253,764</u>	<u>\$ 31,823</u>	<u>\$ (32,647,733)</u>
General Revenues:					
Taxes:					
Property Taxes Levied for General Purposes					\$ 3,417,684
Local Option Sales Taxes					1,885,263
Wheel Tax					785,265
Mixed Drink Tax					3,476
Grants and Contributions Not Restricted to Specific Programs					24,693,905
Unrestricted Investment Earnings					2,863
Sale of Equipment					9,405
Miscellaneous					43,849
Total General Revenues					<u>\$ 30,841,710</u>
Insurance Recovery					<u>\$ 64,395</u>
Change in Net Position					\$ (1,741,628)
Net Position, July 1, 2019					<u>62,724,863</u>
Net Position, June 30, 2020					<u>\$ 60,983,235</u>

## Exhibit J-2

White County, Tennessee  
 Balance Sheet - Governmental Funds  
 Discretely Presented White County School Department  
 June 30, 2020

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>ASSETS</u>				
Equity in Pooled Cash and Investments	\$ 9,209,290	\$ 417,330	\$ 1,139,348	\$ 10,765,968
Accounts Receivable	168	0	142	310
Due from Other Governments	513,459	0	175,898	689,357
Due from Other Funds	0	0	14,800	14,800
Property Taxes Receivable	3,828,960	0	0	3,828,960
Allowance for Uncollectible Property Taxes	(104,648)	0	0	(104,648)
Restricted Assets	91,828	0	0	91,828
Total Assets	<u>\$ 13,539,057</u>	<u>\$ 417,330</u>	<u>\$ 1,330,188</u>	<u>\$ 15,286,575</u>
<u>LIABILITIES</u>				
Accounts Payable	\$ 0	\$ 153	\$ 0	\$ 153
Payroll Deductions Payable	573,303	0	0	573,303
Contracts Payable	0	42,480	0	42,480
Retainage Payable	0	2,236	0	2,236
Due to Other Funds	14,800	0	0	14,800
Due to Primary Government	17,010	0	0	17,010
Total Liabilities	<u>\$ 605,113</u>	<u>\$ 44,869</u>	<u>\$ 0</u>	<u>\$ 649,982</u>
<u>DEFERRED INFLOWS OF RESOURCES</u>				
Deferred Current Property Taxes	\$ 3,621,671	\$ 0	\$ 0	\$ 3,621,671
Deferred Delinquent Property Taxes	98,384	0	0	98,384
Other Deferred/Unavailable Revenue	174,208	0	0	174,208
Total Deferred Inflows of Resources	<u>\$ 3,894,263</u>	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 3,894,263</u>

(Continued)

Exhibit J-2

White County, Tennessee  
Balance Sheet - Governmental Funds  
Discretely Presented White County School Department (Cont.)

	<u>Major Funds</u>		<u>Nonmajor Funds</u>	
	<u>General Purpose School</u>	<u>Education Capital Projects</u>	<u>Other Govern- mental Funds</u>	<u>Total Governmental Funds</u>
<u>FUND BALANCES</u>				
Restricted:				
Restricted for Education	\$ 49,018	\$ 372,461	\$ 830,188	\$ 1,251,667
Restricted for Hybrid Retirement Stabilization Funds	91,828	0	0	91,828
Committed:				
Committed for Education	215,289	0	0	215,289
Assigned:				
Assigned for Education	303,063	0	500,000	803,063
Unassigned	8,380,483	0	0	8,380,483
Total Fund Balances	<u>\$ 9,039,681</u>	<u>\$ 372,461</u>	<u>\$ 1,330,188</u>	<u>\$ 10,742,330</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	<u>\$ 13,539,057</u>	<u>\$ 417,330</u>	<u>\$ 1,330,188</u>	<u>\$ 15,286,575</u>



Exhibit J-3

White County, Tennessee  
Reconciliation of the Balance Sheet of Governmental Funds to  
the Statement of Net Position  
Discretely Presented White County School Department  
June 30, 2020

Amounts reported for governmental activities in the statement  
of net position (Exhibit A) are different because:

Total fund balances - balance sheet - governmental funds (Exhibit J-2)	\$	10,742,330
(1) Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds.		
Add: land	\$	1,609,892
Add: buildings and improvements net of accumulated depreciation		47,303,902
Add: other capital assets net of accumulated depreciation		<u>1,223,842</u>
		50,137,636
(2) Long-term liabilities are not due and payable in the current period and therefore are not reported in the governmental funds.		
Less: compensated absences payable	\$	(379,656)
Less: net OPEB liability		<u>(3,440,310)</u>
		(3,819,966)
(3) Amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions and OPEB will be amortized and recognized as components of pension and OPEB expense in future years.		
Add: deferred outflows of resources related to OPEB	\$	889,073
Less: deferred inflows of resources related to OPEB		(818,523)
Add: deferred outflows of resources related to pensions		3,229,225
Less: deferred inflows of resources related to pensions		<u>(4,159,436)</u>
		(859,661)
(4) Net pension assets are not current financial resources and therefore are not reported in the governmental funds.		
Add: net pension asset - agent plan	\$	50,509
Add: net pension asset - teacher retirement plan		111,514
Add: net pension asset - teacher legacy retirement plan		<u>4,348,281</u>
		4,510,304
(5) Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the governmental funds.		<u>272,592</u>
Net position of governmental activities (Exhibit A)	\$	<u><u>60,983,235</u></u>

## Exhibit J-4

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Revenues</u>				
Local Taxes	\$ 6,162,105	\$ 0	\$ 0	\$ 6,162,105
Licenses and Permits	2,116	0	0	2,116
Charges for Current Services	78,126	0	181,217	259,343
Other Local Revenues	74,846	32,387	14,077	121,310
State of Tennessee	23,824,084	0	22,390	23,846,474
Federal Government	73,719	0	5,062,674	5,136,393
Total Revenues	\$ 30,214,996	\$ 32,387	\$ 5,280,358	\$ 35,527,741
<u>Expenditures</u>				
Current:				
Instruction	\$ 19,190,125	\$ 0	\$ 1,753,192	\$ 20,943,317
Support Services	9,795,953	0	744,648	10,540,601
Operation of Non-Instructional Services	658,077	0	2,916,142	3,574,219
Capital Outlay	430,218	0	0	430,218
Debt Service:				
Principal on Debt	1,200,000	0	0	1,200,000
Capital Projects	0	6,819,720	0	6,819,720
Total Expenditures	\$ 31,274,373	\$ 6,819,720	\$ 5,413,982	\$ 43,508,075
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,059,377)	\$ (6,787,333)	\$ (133,624)	\$ (7,980,334)
<u>Other Financing Sources (Uses)</u>				
Insurance Recovery	\$ 64,395	\$ 0	\$ 0	\$ 64,395
Transfers In	57,651	0	0	57,651

(Continued)

## Exhibit J-4

White County, Tennessee  
Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Governmental Funds  
Discretely Presented White County School Department (Cont.)

	Major Funds		Nonmajor Funds	
	General Purpose School	Education Capital Projects	Other Govern- mental Funds	Total Governmental Funds
<u>Other Financing Sources (Uses) (Cont.)</u>				
Transfers Out	\$ 0	\$ 0	\$ (57,651)	\$ (57,651)
Total Other Financing Sources (Uses)	\$ 122,046	\$ 0	\$ (57,651)	\$ 64,395
Net Change in Fund Balances	\$ (937,331)	\$ (6,787,333)	\$ (191,275)	\$ (7,915,939)
Fund Balance, July 1, 2019	9,977,012	7,159,794	1,521,463	18,658,269
Fund Balance, June 30, 2020	\$ 9,039,681	\$ 372,461	\$ 1,330,188	\$ 10,742,330

Exhibit J-5

White County, Tennessee  
Reconciliation of the Statement of Revenues, Expenditures,  
and Changes in Fund Balances of Governmental Funds  
to the Statement of Activities  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

Amounts reported for governmental activities in the statement  
of activities (Exhibit B) are different because:

Net change in fund balances - total governmental funds (Exhibit J-4)		\$	(7,915,939)
(1) Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their useful lives and reported as depreciation expense. The difference between capital outlays and depreciation is itemized as follows:			
Add: capital assets purchased in the current period	\$	7,027,038	
Less: current-year depreciation expense		<u>(1,626,332)</u>	5,400,706
(2) The net effect of various miscellaneous transactions involving capital assets (sales, trade-ins, and donations) is to decrease net position.			
Less: book value of capital assets disposed			(6,000)
(3) Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.			
Add: deferred delinquent property taxes and other deferred June 30, 2020	\$	272,592	
Less: deferred delinquent property taxes and other deferred June 30, 2019		<u>(274,848)</u>	(2,256)
(4) Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in the governmental funds.			
Change in OPEB liability	\$	(370,896)	
Change in deferred outflows related to OPEB		597,847	
Change in deferred inflows related to OPEB		(244,572)	
Change in compensated absences payable		(107,650)	
Change in net pension asset - agent plan		(114,686)	
Change in net pension asset - teacher retirement plan		25,586	
Change in net pension asset - teacher legacy pension plan		2,865,299	
Change in deferred outflows related to pensions		(272,062)	
Change in deferred inflows related to pensions		<u>(1,597,005)</u>	781,861
Change in net position of governmental activities (Exhibit B)			<u>\$ (1,741,628)</u>

## Exhibit J-6

White County, Tennessee  
Combining Balance Sheet - Nonmajor Governmental Funds  
Discretely Presented White County School Department  
June 30, 2020

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	
<u>ASSETS</u>			
Equity in Pooled Cash and Investments	\$ 388,706	\$ 750,642	\$ 1,139,348
Accounts Receivable	0	142	142
Due from Other Governments	111,294	64,604	175,898
Due from Other Funds	0	14,800	14,800
Total Assets	<u>\$ 500,000</u>	<u>\$ 830,188</u>	<u>\$ 1,330,188</u>
<u>FUND BALANCES</u>			
Restricted:			
Restricted for Education	\$ 0	\$ 830,188	\$ 830,188
Assigned:			
Assigned for Education	500,000	0	500,000
Total Fund Balances	<u>\$ 500,000</u>	<u>\$ 830,188</u>	<u>\$ 1,330,188</u>

## Exhibit J-7

White County, Tennessee  
Combining Statement of Revenues, Expenditures,  
and Changes in Fund Balances -  
Nonmajor Governmental Funds  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

	<u>Special Revenue Funds</u>		Total Nonmajor Governmental Funds
	School Federal Projects	Central Cafeteria	
<u>Revenues</u>			
Charges for Current Services	\$ 0	\$ 181,217	\$ 181,217
Other Local Revenues	0	14,077	14,077
State of Tennessee	0	22,390	22,390
Federal Government	2,963,239	2,099,435	5,062,674
Total Revenues	<u>\$ 2,963,239</u>	<u>\$ 2,317,119</u>	<u>\$ 5,280,358</u>
<u>Expenditures</u>			
Current:			
Instruction	\$ 1,753,192	\$ 0	\$ 1,753,192
Support Services	744,648	0	744,648
Operation of Non-Instructional Services	407,748	2,508,394	2,916,142
Total Expenditures	<u>\$ 2,905,588</u>	<u>\$ 2,508,394</u>	<u>\$ 5,413,982</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 57,651</u>	<u>\$ (191,275)</u>	<u>\$ (133,624)</u>
<u>Other Financing Sources (Uses)</u>			
Transfers Out	\$ (57,651)	\$ 0	\$ (57,651)
Total Other Financing Sources (Uses)	<u>\$ (57,651)</u>	<u>\$ 0</u>	<u>\$ (57,651)</u>
Net Change in Fund Balances	\$ 0	\$ (191,275)	\$ (191,275)
Fund Balance, July 1, 2019	500,000	1,021,463	1,521,463
Fund Balance, June 30, 2020	<u>\$ 500,000</u>	<u>\$ 830,188</u>	<u>\$ 1,330,188</u>

Exhibit J-8

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented White County School Department  
General Purpose School Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Revenues</u>							
Local Taxes	\$ 6,162,105	\$ 0	\$ 0	\$ 6,162,105	\$ 5,590,921	\$ 5,590,921	\$ 571,184
Licenses and Permits	2,116	0	0	2,116	2,210	2,210	(94)
Charges for Current Services	78,126	0	0	78,126	140,000	140,000	(61,874)
Other Local Revenues	74,846	0	0	74,846	45,950	47,950	26,896
State of Tennessee	23,824,084	0	0	23,824,084	23,775,777	23,819,147	4,937
Federal Government	73,719	0	0	73,719	67,000	67,000	6,719
Other Governments and Citizens Groups	0	0	0	0	0	435,000	(435,000)
Total Revenues	\$ 30,214,996	\$ 0	\$ 0	\$ 30,214,996	\$ 29,621,858	\$ 30,102,228	\$ 112,768
<u>Expenditures</u>							
<u>Instruction</u>							
Regular Instruction Program	\$ 16,523,657	\$ (102,052)	\$ 83,842	\$ 16,505,447	\$ 17,553,420	\$ 17,549,420	\$ 1,043,973
Special Education Program	2,014,320	0	0	2,014,320	2,073,685	2,077,685	63,365
Career and Technical Education Program	652,148	0	0	652,148	765,380	765,380	113,232
<u>Support Services</u>							
Attendance	93,933	0	0	93,933	94,570	94,570	637
Health Services	317,275	0	0	317,275	348,435	348,435	31,160
Other Student Support	1,256,784	0	10,508	1,267,292	1,493,505	1,493,505	226,213
Regular Instruction Program	728,801	0	0	728,801	798,160	798,160	69,359
Special Education Program	140,277	0	0	140,277	163,335	163,335	23,058
Career and Technical Education Program	204,615	0	0	204,615	337,640	337,640	133,025
Technology	320,041	(17,021)	21,040	324,060	325,970	327,970	3,910
Other Programs	188,845	0	0	188,845	200,000	200,000	11,155
Board of Education	508,450	(2,963)	0	505,487	628,575	628,575	123,088
Director of Schools	142,394	0	0	142,394	146,825	146,825	4,431
Office of the Principal	1,563,527	0	0	1,563,527	1,603,250	1,603,250	39,723
Fiscal Services	161,515	0	0	161,515	205,498	205,498	43,983
Operation of Plant	2,216,015	(15,723)	16	2,200,308	2,645,665	2,645,665	445,357
Maintenance of Plant	508,608	(11,550)	5,564	502,622	567,775	611,145	108,523

(Continued)

Exhibit J-8

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented White County School Department  
General Purpose School Fund (Cont.)

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Add: Encumbrances 6/30/2020	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
					Original	Final	
<u>Expenditures (Cont.)</u>							
<u>Support Services (Cont.)</u>							
Transportation	\$ 1,444,873	\$ 0	\$ 0	\$ 1,444,873	\$ 1,679,680	\$ 1,679,680	\$ 234,807
<u>Operation of Non-Instructional Services</u>							
Food Service	99,000	0	0	99,000	99,000	99,000	0
Community Services	53,473	0	0	53,473	61,610	61,610	8,137
Early Childhood Education	505,604	0	9,714	515,318	527,870	527,870	12,552
<u>Capital Outlay</u>							
Regular Capital Outlay	430,218	(238,158)	22,566	214,626	380,000	815,000	600,374
<u>Principal on Debt</u>							
Education	1,200,000	0	0	1,200,000	1,200,000	1,200,000	0
Total Expenditures	\$ 31,274,373	\$ (387,467)	\$ 153,250	\$ 31,040,156	\$ 33,899,848	\$ 34,380,218	\$ 3,340,062
Excess (Deficiency) of Revenues Over Expenditures	\$ (1,059,377)	\$ 387,467	\$ (153,250)	\$ (825,160)	\$ (4,277,990)	\$ (4,277,990)	\$ 3,452,830
<u>Other Financing Sources (Uses)</u>							
Insurance Recovery	\$ 64,395	\$ 0	\$ 0	\$ 64,395	\$ 0	\$ 0	\$ 64,395
Transfers In	57,651	0	0	57,651	40,000	40,000	17,651
Total Other Financing Sources	\$ 122,046	\$ 0	\$ 0	\$ 122,046	\$ 40,000	\$ 40,000	\$ 82,046
Net Change in Fund Balance	\$ (937,331)	\$ 387,467	\$ (153,250)	\$ (703,114)	\$ (4,237,990)	\$ (4,237,990)	\$ 3,534,876
Fund Balance, July 1, 2019	9,977,012	(387,467)	0	9,589,545	9,933,940	9,933,940	(344,395)
Fund Balance, June 30, 2020	\$ 9,039,681	\$ 0	\$ (153,250)	\$ 8,886,431	\$ 5,695,950	\$ 5,695,950	\$ 3,190,481



## Exhibit J-9

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual and Budget  
Discretely Presented White County School Department  
School Federal Projects Fund  
For the Year Ended June 30, 2020

	Actual	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
		Original	Final	
<u>Revenues</u>				
Federal Government	\$ 2,963,239	\$ 3,001,808	\$ 3,267,234	\$ (303,995)
Total Revenues	\$ 2,963,239	\$ 3,001,808	\$ 3,267,234	\$ (303,995)
<u>Expenditures</u>				
<u>Instruction</u>				
Regular Instruction Program	\$ 1,010,677	\$ 1,014,077	\$ 1,070,644	\$ 59,967
Special Education Program	632,012	569,998	643,277	11,265
Career and Technical Education Program	110,503	103,607	111,887	1,384
<u>Support Services</u>				
Other Student Support	26,893	36,110	130,415	103,522
Regular Instruction Program	329,317	335,922	361,852	32,535
Special Education Program	314,396	317,955	316,670	2,274
Career and Technical Education Program	607	1,200	607	0
Transportation	73,435	63,832	74,129	694
<u>Operation of Non-Instructional Services</u>				
Community Services	407,748	498,735	498,735	90,987
Total Expenditures	\$ 2,905,588	\$ 2,941,436	\$ 3,208,216	\$ 302,628
Excess (Deficiency) of Revenues Over Expenditures	\$ 57,651	\$ 60,372	\$ 59,018	\$ (1,367)
<u>Other Financing Sources (Uses)</u>				
Transfers Out	\$ (57,651)	\$ (60,376)	\$ (60,828)	\$ 3,177
Total Other Financing Sources	\$ (57,651)	\$ (60,376)	\$ (60,828)	\$ 3,177
Net Change in Fund Balance	\$ 0	\$ (4)	\$ (1,810)	\$ 1,810
Fund Balance, July 1, 2019	500,000	500,000	500,000	0
Fund Balance, June 30, 2020	\$ 500,000	\$ 499,996	\$ 498,190	\$ 1,810

Exhibit J-10

White County, Tennessee  
Schedule of Revenues, Expenditures, and Changes  
in Fund Balance - Actual (Budgetary Basis) and Budget  
Discretely Presented White County School Department  
Central Cafeteria Fund  
For the Year Ended June 30, 2020

	Actual (GAAP Basis)	Less: Encumbrances 7/1/2019	Actual Revenues/ Expenditures (Budgetary Basis)	Budgeted Amounts		Variance with Final Budget - Positive (Negative)
				Original	Final	
<u>Revenues</u>						
Charges for Current Services	\$ 181,217	\$ 0	\$ 181,217	\$ 208,000	\$ 208,000	\$ (26,783)
Other Local Revenues	14,077	0	14,077	12,000	12,000	2,077
State of Tennessee	22,390	0	22,390	23,000	23,000	(610)
Federal Government	2,099,435	0	2,099,435	2,075,000	2,075,000	24,435
Total Revenues	<u>\$ 2,317,119</u>	<u>\$ 0</u>	<u>\$ 2,317,119</u>	<u>\$ 2,318,000</u>	<u>\$ 2,318,000</u>	<u>\$ (881)</u>
<u>Expenditures</u>						
<u>Operation of Non-Instructional Services</u>						
Food Service	<u>\$ 2,508,394</u>	<u>\$ (3,327)</u>	<u>\$ 2,505,067</u>	<u>\$ 2,631,433</u>	<u>\$ 2,676,433</u>	<u>\$ 171,366</u>
Total Expenditures	<u>\$ 2,508,394</u>	<u>\$ (3,327)</u>	<u>\$ 2,505,067</u>	<u>\$ 2,631,433</u>	<u>\$ 2,676,433</u>	<u>\$ 171,366</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (191,275)</u>	<u>\$ 3,327</u>	<u>\$ (187,948)</u>	<u>\$ (313,433)</u>	<u>\$ (358,433)</u>	<u>\$ 170,485</u>
Net Change in Fund Balance	<u>\$ (191,275)</u>	<u>\$ 3,327</u>	<u>\$ (187,948)</u>	<u>\$ (313,433)</u>	<u>\$ (358,433)</u>	<u>\$ 170,485</u>
Fund Balance, July 1, 2019	<u>1,021,463</u>	<u>(3,327)</u>	<u>1,018,136</u>	<u>1,021,463</u>	<u>1,021,463</u>	<u>(3,327)</u>
Fund Balance, June 30, 2020	<u><u>\$ 830,188</u></u>	<u><u>\$ 0</u></u>	<u><u>\$ 830,188</u></u>	<u><u>\$ 708,030</u></u>	<u><u>\$ 663,030</u></u>	<u><u>\$ 167,158</u></u>

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## MISCELLANEOUS SCHEDULES

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Exhibit K-1

White County, Tennessee  
Schedule of Changes in Long-term Bonds and Notes  
For the Year Ended June 30, 2020

Description of Indebtedness	Original Amount of Issue	Interest Rate	Date of Issue	Last Maturity Date	Outstanding 7-1-19	Paid and/or Matured During Period	Outstanding 6-30-20
GOVERNMENTAL ACTIVITIES:							
<u>BONDS PAYABLE</u>							
<u>Payable through General Debt Service Fund</u>							
General Obligation School Bonds, Series 2018	\$ 19,735,000	3.18 %	6-15-18	6-1-38	\$ 19,055,000	\$ 685,000	\$ 18,370,000
General Obligation Library Bonds, Series 2005	1,000,000	4 to 4.4	6-15-05	6-15-25	395,000	60,000	335,000
General Obligation School/Judicial Complex Refunding Bonds, Series 2008A	8,175,000	4.24	12-2-08	6-1-20	825,000	825,000	0
General Obligation School Refunding Bonds, Series 2008	5,120,000	3.85	9-17-08	6-1-20	515,000	515,000	0
Total Bonds Payable					<u>\$ 20,790,000</u>	<u>\$ 2,085,000</u>	<u>\$ 18,705,000</u>
BUSINESS-TYPE ACTIVITIES:							
<u>NOTES PAYABLE</u>							
<u>Payable through Solid Waste Disposal Fund</u>							
Landfill Dozer, Compactor, and Roll-off Truck	531,500	2.59	2-28-17	2-28-25	<u>\$ 398,624</u>	<u>\$ 66,437</u>	<u>\$ 332,187</u>
Total Notes Payable					<u>\$ 398,624</u>	<u>\$ 66,437</u>	<u>\$ 332,187</u>

Exhibit K-2

White County, Tennessee  
Schedule of Long-term Debt Requirements by Year

GOVERNMENTAL ACTIVITIES:

Year Ending June 30	Bonds		
	Principal	Interest	Total
2021	\$ 780,000	\$ 667,588	\$ 1,447,588
2022	820,000	629,039	1,449,039
2023	860,000	588,493	1,448,493
2024	900,000	545,949	1,445,949
2025	950,000	501,369	1,451,369
2026	915,000	454,318	1,369,318
2027	940,000	432,588	1,372,588
2028	975,000	394,987	1,369,987
2029	1,005,000	365,738	1,370,738
2030	1,035,000	335,587	1,370,587
2031	1,065,000	304,538	1,369,538
2032	1,100,000	272,588	1,372,588
2033	1,130,000	239,587	1,369,587
2034	1,170,000	204,275	1,374,275
2035	1,205,000	167,713	1,372,713
2036	1,245,000	128,550	1,373,550
2037	1,285,000	88,087	1,373,087
2038	1,325,000	44,719	1,369,719
Total	\$ 18,705,000	\$ 6,365,713	\$ 25,070,713

BUSINESS-TYPE ACTIVITIES:

Year Ending June 30	Notes		
	Principal	Interest	Total
2021	\$ 66,437	\$ 8,604	\$ 75,041
2022	66,437	6,883	73,320
2023	66,438	5,162	71,600
2024	66,437	3,441	69,878
2025	66,438	1,721	68,159
Total	\$ 332,187	\$ 25,811	\$ 357,998

Exhibit K-3

White County, Tennessee  
Schedule of Notes Receivable  
For the Year Ended June 30, 2020

Description	Debtor	Original Amount of Notes	Date of Issue	Date of Maturity	Interest Rate	Balance 6-30-20
<u>Industrial/Economic Development Fund</u>						
Industrial Development	Edge Trailer, Inc.	\$ 200,000	12-15	12-16	2.5 %	\$ 118,327
"	S&S Screw	90,000	9-10	9-18	2	20,359
"	CLS Molding	51,533	12-13	12-20	2	14,879
"	Jackson Kayak	75,000	3-14	3-21	2	8,547
"	Jackson Kayak	200,000	3-15	3-22	2	<u>52,652</u>
Total						<u>\$ 214,764</u>

Exhibit K-4

White County, Tennessee  
Schedule of Transfers  
Primary Government and Discretely Presented White County School Department  
For the Year Ended June 30, 2020

From Fund	To Fund	Purpose	Amount
<u>PRIMARY GOVERNMENT</u>			
Highway/Public Works	General	Finance Department services	\$ 11,000
"	"	Maintenance garage operations	200,000
General Fund	General Capital Projects	Health Department renovations	89,080
General Capital Projects	General Fund	Capital project refund of unused funds	<u>47,805</u>
Total Transfers Primary Government			<u>\$ 347,885</u>
<u>DISCRETELY PRESENTED WHITE COUNTY SCHOOL DEPARTMENT</u>			
School Federal Projects	General Purpose School	Indirect costs	<u>\$ 57,651</u>
Total Transfers Discretely Presented White County School Department			<u>\$ 57,651</u>

Exhibit K-5

White County, Tennessee  
Schedule of Salaries and Official Bonds of Principal Officials  
Primary Government and Discretely Presented White County School Department  
For the Year Ended June 30, 2020

Official	Authorization for Salary	Salary Paid During Period	Bond	Surety
County Executive	Section 8-24-102, <i>TCA</i>	\$ 90,055	\$ (4)	Tennessee Risk Management Trust
Road Superintendent	Section 8-24-102, <i>TCA</i>	85,768	(4)	"
Director of Schools	State Board of Education and White County Board of Education	95,614 (1)	(4)	"
Trustee	Section 8-24-102, <i>TCA</i>	77,971	(4)	"
Assessor of Property	Section 8-24-102, <i>TCA</i>	77,971	(4)	"
Finance Director	County Commission	77,971	(4)	"
County Clerk	Section 8-24-102, <i>TCA</i>	77,971	(4)	"
Circuit and General Sessions Courts Clerk	Section 8-24-102, <i>TCA</i>	77,971	(4)	"
Clerk and Master	Section 8-24-102, <i>TCA</i> and Chancery Court Judge	77,971 (2) (4)	100,000	Auto Owners Insurance Company
Register of Deeds	Section 8-24-102, <i>TCA</i>	77,971	(4)	Tennessee Risk Management Trust
Sheriff	Section 8-24-102, <i>TCA</i>	85,768 (3)	(4)	"
Employee Dishonesty Bond Coverage:				
General County and Highway Employees			400,000	Tennessee Risk Management Trust
School Department Employees			400,000	"

(1) Does not include a chief executive officer training supplement of \$1,000 or Basic Education Program Salary Equity payment of \$746.

(2) Does not include special commissioner fees of \$3,105.

(3) Does not include a law enforcement training supplement of \$800.

(4) Covered by the employee dishonesty insurance pursuant to Section 8-19-101, *TCA*.



## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>Local Taxes</u>						
<u>County Property Taxes</u>						
Current Property Tax	\$ 5,597,334	\$ 0	\$ 0	\$ 0	\$ 43,055	\$ 0
Trustee's Collections - Prior Year	209,881	0	0	0	15,482	0
Trustee's Collections - Bankruptcy	298	0	0	0	23	0
Circuit Clerk/Clerk and Master Collections - Prior Years	108,759	0	0	0	8,023	0
Interest and Penalty	36,165	0	0	0	2,292	0
Payments in-Lieu-of Taxes - T.V.A.	20,188	0	0	0	155	0
Payments in-Lieu-of Taxes - Other	52,939	0	0	0	407	0
<u>County Local Option Taxes</u>						
Local Option Sales Tax	567,987	0	0	0	1,215,105	0
Hotel/Motel Tax	10,786	0	0	0	10,786	0
Wheel Tax	61,995	0	0	185,984	0	0
Litigation Tax - General	52,384	0	0	0	0	0
Litigation Tax - Special Purpose	125,169	0	0	0	0	0
Litigation Tax - Jail, Workhouse, or Courthouse	19,515	0	0	0	0	0
Business Tax	255,117	0	0	0	0	0
Mixed Drink Tax	1,139	0	0	0	0	0
Mineral Severance Tax	0	0	0	60,650	0	0
<u>Statutory Local Taxes</u>						
Bank Excise Tax	119,741	0	0	0	923	0
Wholesale Beer Tax	162,542	0	0	0	0	0
Total Local Taxes	\$ 7,401,939	\$ 0	\$ 0	\$ 246,634	\$ 1,296,251	\$ 0
<u>Licenses and Permits</u>						
<u>Licenses</u>						
Cable TV Franchise	\$ 120,635	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>Licenses and Permits (Cont.)</u>						
<u>Permits</u>						
Beer Permits	\$ 3,871	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total Licenses and Permits	\$ 124,506	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Fines, Forfeitures, and Penalties</u>						
<u>Circuit Court</u>						
Fines	\$ 14,897	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Officers Costs	7,506	0	0	0	0	0
Drug Control Fines	5,383	0	11,146	0	0	0
Drug Court Fees	1,775	0	0	0	0	0
Veterans Treatment Court Fees	712	0	0	0	0	0
Jail Fees	486	0	0	0	0	0
DUI Treatment Fines	3,651	0	0	0	0	0
Data Entry Fee - Circuit Court	1,553	0	0	0	0	0
Courtroom Security Fee	3,869	0	0	0	0	0
<u>General Sessions Court</u>						
Fines	11,108	0	0	0	0	0
Fines for Littering	2	0	0	0	0	0
Officers Costs	34,199	0	0	0	0	0
Game and Fish Fines	360	0	0	0	0	0
Drug Control Fines	5,662	0	5,985	0	0	0
Drug Court Fees	5,016	0	0	0	0	0
Veterans Treatment Court Fees	3,262	0	0	0	0	0
Jail Fees	5,601	0	0	0	0	0
DUI Treatment Fines	2,612	0	0	0	0	0
Data Entry Fee - General Sessions Court	8,873	0	0	0	0	0
Courtroom Security Fee	39,550	0	0	0	0	0

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>Fines, Forfeitures, and Penalties (Cont.)</u>						
<u>Juvenile Court</u>						
Drug Court Fees	\$ 3,297	\$ 0	\$ 0	\$ 0	\$ 0	0
<u>Chancery Court</u>						
Officers Costs	2,877	0	0	0	0	0
Data Entry Fee - Chancery Court	3,428	0	0	0	0	0
Courtroom Security Fee	4,892	0	0	0	0	0
<u>Other Fines, Forfeitures, and Penalties</u>						
Proceeds from Confiscated Property	23,712	0	23,171	0	0	0
Total Fines, Forfeitures, and Penalties	\$ 194,283	\$ 0	\$ 40,302	\$ 0	\$ 0	0
<u>Charges for Current Services</u>						
<u>General Service Charges</u>						
Water Treatment Charges	\$ 4,945	\$ 0	\$ 0	\$ 0	\$ 0	0
Patient Charges	1,681,921	0	0	0	0	0
Other General Service Charges	176	0	0	0	0	0
Service Charges	301,518	0	0	1,376	0	0
<u>Fees</u>						
Library Fees	4,370	0	0	0	0	0
Telephone Commissions	38,800	0	0	0	0	0
Data Processing Fee - Register	9,754	0	0	0	0	0
Data Processing Fee - Sheriff	2,934	0	0	0	0	0
Sexual Offender Registration Fee - Sheriff	5,700	0	0	0	0	0
Data Processing Fee - County Clerk	3,745	0	0	0	0	0
Vehicle Insurance Coverage and Reinstatement Fees	945	0	0	0	0	0
Total Charges for Current Services	\$ 2,054,808	\$ 0	\$ 0	\$ 1,376	\$ 0	0

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>Other Local Revenues</u>						
<u>Recurring Items</u>						
Investment Income	\$ 0	\$ 1,847	\$ 0	\$ 0	\$ 288,511	\$ 0
Sale of Materials and Supplies	198	0	0	0	0	0
Commissary Sales	45,218	0	0	0	0	0
Sale of Recycled Materials	521	0	0	0	0	0
E-Rate Funding	5,144	0	0	0	0	0
Sale of Animals/Livestock	23,918	0	0	0	0	0
Miscellaneous Refunds	31,028	0	497	0	0	0
<u>Nonrecurring Items</u>						
Sale of Equipment	31,218	0	0	37,395	0	0
Damages Recovered from Individuals	3,057	0	2,018	0	0	0
Contributions and Gifts	3,598	0	2,889	0	0	0
Total Other Local Revenues	\$ 143,900	\$ 1,847	\$ 5,404	\$ 37,395	\$ 288,511	\$ 0
<u>Fees Received From County Officials</u>						
<u>Fees In-Lieu-of Salary</u>						
County Clerk	\$ 271,097	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Circuit Court Clerk	82,689	0	0	0	0	0
General Sessions Court Clerk	182,363	0	0	0	0	0
Clerk and Master	90,231	0	0	0	0	0
Register	127,701	0	0	0	0	0
Sheriff	20,489	0	0	0	0	0
Trustee	377,508	0	0	0	0	0
Total Fees Received From County Officials	\$ 1,152,078	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>State of Tennessee</u>						
<u>General Government Grants</u>						
Juvenile Services Program	\$ 9,000	\$ 0	\$ 0	\$ 0	\$ 0	0
Other General Government Grants	24,280	0	0	0	0	0
<u>Public Safety Grants</u>						
Law Enforcement Training Programs	30,400	0	0	0	0	0
Drug Control Grants	47,243	0	0	0	0	0
<u>Health and Welfare Grants</u>						
Health Department Programs	102,726	0	0	0	0	235,631
<u>Public Works Grants</u>						
Bridge Program	0	0	0	345,236	0	0
State Aid Program	0	0	0	442,111	0	0
Litter Program	42,921	0	0	0	0	0
Other Public Works Grants	0	0	0	0	0	0
<u>Other State Revenues</u>						
Flood Control	937	0	0	0	0	0
Income Tax	30,004	0	0	0	0	0
Beer Tax	18,175	0	0	0	0	0
Vehicle Certificate of Title Fees	7,715	0	0	0	0	0
Alcoholic Beverage Tax	66,883	0	0	0	0	0
State Revenue Sharing - T.V.A.	405,324	0	0	0	3,118	0
State Revenue Sharing - Telecommunications	51,715	0	0	0	398	0
Contracted Prisoner Boarding	316,251	0	0	0	0	0
Gasoline and Motor Fuel Tax	0	0	0	2,234,271	0	0
Petroleum Special Tax	0	0	0	18,645	0	0
Registrar's Salary Supplement	15,164	0	0	0	0	0
Other State Grants	78,931	0	0	0	0	0

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Special Revenue Funds				Debt Service Fund	Capital Projects Funds
	General	Industrial / Economic Development	Drug Control	Highway / Public Works	General Debt Service	General Capital Projects
<u>State of Tennessee (Cont.)</u>						
<u>Other State Revenues (Cont.)</u>						
Other State Revenues	\$ 153,722	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Total State of Tennessee	\$ 1,401,391	\$ 0	\$ 0	\$ 3,040,263	\$ 3,516	\$ 235,631
<u>Federal Government</u>						
<u>Federal Through State</u>						
Appalachian Regional Commission	\$ 192,202	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Community Development	2,670	0	0	0	0	0
Law Enforcement Grants	25,252	0	0	0	0	0
Other Federal through State	169,174	0	0	0	0	0
<u>Direct Federal Revenue</u>						
COVID-19 Grant J	27,957	0	0	0	0	0
Other Direct Federal Revenue	185,227	0	0	0	0	0
Total Federal Government	\$ 602,482	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
<u>Other Governments and Citizens Groups</u>						
<u>Other Governments</u>						
Contributions	\$ 6,000	\$ 0	\$ 0	\$ 0	\$ 1,200,000	\$ 0
Contracted Services	61,902	0	0	0	0	0
<u>Citizens Groups</u>						
Donations	23,767	0	0	0	0	0
Total Other Governments and Citizens Groups	\$ 91,669	\$ 0	\$ 0	\$ 0	\$ 1,200,000	\$ 0
Total	\$ 13,167,056	\$ 1,847	\$ 45,706	\$ 3,325,668	\$ 2,788,278	\$ 235,631

(Continued)

## Exhibit K-6

White County, Tennessee  
 Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	Highway Capital Projects	Total
<u>Local Taxes</u>		
<u>County Property Taxes</u>		
Current Property Tax	\$ 0	\$ 5,640,389
Trustee's Collections - Prior Year	0	225,363
Trustee's Collections - Bankruptcy	0	321
Circuit Clerk/Clerk and Master Collections - Prior Years	0	116,782
Interest and Penalty	0	38,457
Payments in-Lieu-of Taxes - T.V.A.	0	20,343
Payments in-Lieu-of Taxes - Other	0	53,346
<u>County Local Option Taxes</u>		
Local Option Sales Tax	0	1,783,092
Hotel/Motel Tax	0	21,572
Wheel Tax	0	247,979
Litigation Tax - General	0	52,384
Litigation Tax - Special Purpose	0	125,169
Litigation Tax - Jail, Workhouse, or Courthouse	0	19,515
Business Tax	0	255,117
Mixed Drink Tax	0	1,139
Mineral Severance Tax	0	60,650
<u>Statutory Local Taxes</u>		
Bank Excise Tax	0	120,664
Wholesale Beer Tax	0	162,542
Total Local Taxes	<u>\$ 0</u>	<u>\$ 8,944,824</u>
<u>Licenses and Permits</u>		
<u>Licenses</u>		
Cable TV Franchise	\$ 0	\$ 120,635

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Capital Projects Fund		
	Highway Capital Projects		Total
<hr/>			
<u>Licenses and Permits (Cont.)</u>			
<u>Permits</u>			
Beer Permits	\$	0	\$ 3,871
Total Licenses and Permits	\$	0	\$ 124,506
<hr/>			
<u>Fines, Forfeitures, and Penalties</u>			
<u>Circuit Court</u>			
Fines	\$	0	\$ 14,897
Officers Costs		0	7,506
Drug Control Fines		0	16,529
Drug Court Fees		0	1,775
Veterans Treatment Court Fees		0	712
Jail Fees		0	486
DUI Treatment Fines		0	3,651
Data Entry Fee - Circuit Court		0	1,553
Courtroom Security Fee		0	3,869
<u>General Sessions Court</u>			
Fines		0	11,108
Fines for Littering		0	2
Officers Costs		0	34,199
Game and Fish Fines		0	360
Drug Control Fines		0	11,647
Drug Court Fees		0	5,016
Veterans Treatment Court Fees		0	3,262
Jail Fees		0	5,601
DUI Treatment Fines		0	2,612
Data Entry Fee - General Sessions Court		0	8,873
Courtroom Security Fee		0	39,550

(Continued)



## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	<u>Highway Capital Projects</u>	<u>Total</u>
<u>Fines, Forfeitures, and Penalties (Cont.)</u>		
<u>Juvenile Court</u>		
Drug Court Fees	\$ 0	\$ 3,297
<u>Chancery Court</u>		
Officers Costs	0	2,877
Data Entry Fee - Chancery Court	0	3,428
Courtroom Security Fee	0	4,892
<u>Other Fines, Forfeitures, and Penalties</u>		
Proceeds from Confiscated Property	0	46,883
Total Fines, Forfeitures, and Penalties	<u>\$ 0</u>	<u>\$ 234,585</u>
<u>Charges for Current Services</u>		
<u>General Service Charges</u>		
Water Treatment Charges	\$ 0	\$ 4,945
Patient Charges	0	1,681,921
Other General Service Charges	0	176
Service Charges	0	302,894
<u>Fees</u>		
Library Fees	0	4,370
Telephone Commissions	0	38,800
Data Processing Fee - Register	0	9,754
Data Processing Fee - Sheriff	0	2,934
Sexual Offender Registration Fee - Sheriff	0	5,700
Data Processing Fee - County Clerk	0	3,745
Vehicle Insurance Coverage and Reinstatement Fees	0	945
Total Charges for Current Services	<u>\$ 0</u>	<u>\$ 2,056,184</u>

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	<u>Highway Capital Projects</u>	<u>Total</u>
<hr/>		
<u>Other Local Revenues</u>		
<u>Recurring Items</u>		
Investment Income	\$ 0	\$ 290,358
Sale of Materials and Supplies	0	198
Commissary Sales	0	45,218
Sale of Recycled Materials	0	521
E-Rate Funding	0	5,144
Sale of Animals/Livestock	0	23,918
Miscellaneous Refunds	0	31,525
<u>Nonrecurring Items</u>		
Sale of Equipment	0	68,613
Damages Recovered from Individuals	0	5,075
Contributions and Gifts	0	6,487
Total Other Local Revenues	<u>\$ 0</u>	<u>\$ 477,057</u>
 <u>Fees Received From County Officials</u>		
<u>Fees In-Lieu-of Salary</u>		
County Clerk	\$ 0	\$ 271,097
Circuit Court Clerk	0	82,689
General Sessions Court Clerk	0	182,363
Clerk and Master	0	90,231
Register	0	127,701
Sheriff	0	20,489
Trustee	0	377,508
Total Fees Received From County Officials	<u>\$ 0</u>	<u>\$ 1,152,078</u>

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	Capital Projects Fund	
	Highway Capital Projects	Total
<hr/>		
<u>State of Tennessee</u>		
<u>General Government Grants</u>		
Juvenile Services Program	\$ 0	\$ 9,000
Other General Government Grants	0	24,280
<u>Public Safety Grants</u>		
Law Enforcement Training Programs	0	30,400
Drug Control Grants	0	47,243
<u>Health and Welfare Grants</u>		
Health Department Programs	0	338,357
<u>Public Works Grants</u>		
Bridge Program	125,045	470,281
State Aid Program	0	442,111
Litter Program	0	42,921
Other Public Works Grants	152,833	152,833
<u>Other State Revenues</u>		
Flood Control	0	937
Income Tax	0	30,004
Beer Tax	0	18,175
Vehicle Certificate of Title Fees	0	7,715
Alcoholic Beverage Tax	0	66,883
State Revenue Sharing - T.V.A.	0	408,442
State Revenue Sharing - Telecommunications	0	52,113
Contracted Prisoner Boarding	0	316,251
Gasoline and Motor Fuel Tax	0	2,234,271
Petroleum Special Tax	0	18,645
Registrar's Salary Supplement	0	15,164
Other State Grants	0	78,931

(Continued)

## Exhibit K-6

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types (Cont.)

	<u>Capital Projects Fund</u>	
	Highway Capital Projects	Total
<hr/>		
<u>State of Tennessee (Cont.)</u>		
<u>Other State Revenues (Cont.)</u>		
Other State Revenues	\$ 0	\$ 153,722
Total State of Tennessee	<u>\$ 277,878</u>	<u>\$ 4,958,679</u>
<u>Federal Government</u>		
<u>Federal Through State</u>		
Appalachian Regional Commission	\$ 0	\$ 192,202
Community Development	0	2,670
Law Enforcement Grants	0	25,252
Other Federal through State	1,111,513	1,280,687
<u>Direct Federal Revenue</u>		
COVID-19 Grant J	0	27,957
Other Direct Federal Revenue	0	185,227
Total Federal Government	<u>\$ 1,111,513</u>	<u>\$ 1,713,995</u>
<u>Other Governments and Citizens Groups</u>		
<u>Other Governments</u>		
Contributions	\$ 57,981	\$ 1,263,981
Contracted Services	0	61,902
<u>Citizens Groups</u>		
Donations	0	23,767
Total Other Governments and Citizens Groups	<u>\$ 57,981</u>	<u>\$ 1,349,650</u>
Total	<u>\$ 1,447,372</u>	<u>\$ 21,011,558</u>

## Exhibit K-7

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

		<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>Local Taxes</u>					
<u>County Property Taxes</u>					
Current Property Tax	\$ 3,186,179	\$ 0	\$ 0	\$ 0	\$ 3,186,179
Trustee's Collections - Prior Year	127,305	0	0	0	127,305
Trustee's Collections - Bankruptcy	182	0	0	0	182
Circuit Clerk/Clerk and Master Collections - Prior Years	65,969	0	0	0	65,969
Interest and Penalty	21,723	0	0	0	21,723
Payments in-Lieu-of Taxes - T.V.A.	11,492	0	0	0	11,492
Payments in-Lieu-of Taxes - Other	30,129	0	0	0	30,129
<u>County Local Option Taxes</u>					
Local Option Sales Tax	1,862,224	0	0	0	1,862,224
Wheel Tax	785,265	0	0	0	785,265
Mixed Drink Tax	3,476	0	0	0	3,476
<u>Statutory Local Taxes</u>					
Bank Excise Tax	68,161	0	0	0	68,161
Total Local Taxes	\$ 6,162,105	\$ 0	\$ 0	\$ 0	\$ 6,162,105
<u>Licenses and Permits</u>					
<u>Licenses</u>					
Marriage Licenses	\$ 1,976	\$ 0	\$ 0	\$ 0	\$ 1,976
<u>Permits</u>					
Other Permits	140	0	0	0	140
Total Licenses and Permits	\$ 2,116	\$ 0	\$ 0	\$ 0	\$ 2,116

(Continued)

## Exhibit K-7

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

	Special Revenue Funds			Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>Charges for Current Services</u>					
<u>Education Charges</u>					
Tuition - Regular Day Students	\$ 2,250	\$ 0	\$ 0	\$ 0	\$ 2,250
Lunch Payments - Children	0	0	64,994	0	64,994
Lunch Payments - Adults	0	0	30,169	0	30,169
Income from Breakfast	0	0	18,486	0	18,486
A la Carte Sales	0	0	67,568	0	67,568
Receipts from Individual Schools	75,876	0	0	0	75,876
Total Charges for Current Services	\$ 78,126	\$ 0	\$ 181,217	\$ 0	\$ 259,343
<u>Other Local Revenues</u>					
<u>Recurring Items</u>					
Investment Income	\$ 2,863	\$ 0	\$ 3,469	\$ 31,823	\$ 38,155
Lease/Rentals	7,020	0	0	0	7,020
E-Rate Funding	1,812	0	0	0	1,812
Rebates	0	0	4,622	0	4,622
Miscellaneous Refunds	20,735	0	5,986	564	27,285
<u>Nonrecurring Items</u>					
Sale of Equipment	9,405	0	0	0	9,405
Damages Recovered from Individuals	500	0	0	0	500
Contributions and Gifts	11,000	0	0	0	11,000
<u>Other Local Revenues</u>					
Other Local Revenues	21,511	0	0	0	21,511
Total Other Local Revenues	\$ 74,846	\$ 0	\$ 14,077	\$ 32,387	\$ 121,310

(Continued)

## Exhibit K-7

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

	Special Revenue Funds			Capital Projects Fund	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>State of Tennessee</u>					
<u>General Government Grants</u>					
On-behalf Contributions for OPEB	\$ 188,845	\$ 0	\$ 0	\$ 0	\$ 188,845
<u>State Education Funds</u>					
Basic Education Program	22,560,728	0	0	0	22,560,728
Early Childhood Education	500,491	0	0	0	500,491
School Food Service	0	0	22,390	0	22,390
Other State Education Funds	288,536	0	0	0	288,536
Career Ladder Program	25,322	0	0	0	25,322
<u>Other State Revenues</u>					
State Revenue Sharing - T.V.A.	230,724	0	0	0	230,724
State Revenue Sharing - Telecommunications	29,438	0	0	0	29,438
Total State of Tennessee	\$ 23,824,084	\$ 0	\$ 22,390	\$ 0	\$ 23,846,474
<u>Federal Government</u>					
<u>Federal Through State</u>					
USDA School Lunch Program	\$ 0	\$ 0	\$ 991,071	\$ 0	\$ 991,071
USDA - Commodities	0	0	98,205	0	98,205
Breakfast	0	0	492,670	0	492,670
USDA - Other	0	0	517,489	0	517,489
Vocational Education - Basic Grants to States	0	77,175	0	0	77,175
Other Vocational	0	40,961	0	0	40,961
Title I Grants to Local Education Agencies	0	1,100,730	0	0	1,100,730
Special Education - Grants to States	0	1,015,398	0	0	1,015,398
Special Education Preschool Grants	0	23,142	0	0	23,142
Rural Education	0	70,779	0	0	70,779

(Continued)

## Exhibit K-7

White County, Tennessee  
Schedule of Detailed Revenues -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

		<u>Special Revenue Funds</u>		<u>Capital Projects Fund</u>	
	General Purpose School	School Federal Projects	Central Cafeteria	Education Capital Projects	Total
<u>Federal Government (Cont.)</u>					
<u>Federal Through State (Cont.)</u>					
Eisenhower Professional Development State Grants	\$ 0	\$ 134,686	\$ 0	\$ 0	\$ 134,686
Other Federal through State	0	500,368	0	0	500,368
<u>Direct Federal Revenue</u>					
ROTC Reimbursement	73,719	0	0	0	73,719
Total Federal Government	<u>\$ 73,719</u>	<u>\$ 2,963,239</u>	<u>\$ 2,099,435</u>	<u>\$ 0</u>	<u>\$ 5,136,393</u>
Total	<u>\$ 30,214,996</u>	<u>\$ 2,963,239</u>	<u>\$ 2,317,119</u>	<u>\$ 32,387</u>	<u>\$ 35,527,741</u>



## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
For the Year Ended June 30, 2020

General FundGeneral GovernmentCounty Commission

Board and Committee Members Fees	\$	42,000	
Other Per Diem and Fees		2,050	
Social Security		2,731	
Pensions		130	
Employer Medicare		639	
Advertising		1,357	
Audit Services		9,820	
Dues and Memberships		3,764	
Other Supplies and Materials		15,285	
Total County Commission			\$ 77,776

County Mayor/Executive

County Official/Administrative Officer	\$	90,055	
Assistant(s)		30,416	
Part-time Personnel		2,660	
Social Security		7,544	
Pensions		7,554	
Medical Insurance		7,757	
Employer Medicare		1,764	
Communication		1,932	
Dues and Memberships		1,400	
Postal Charges		215	
Travel		5,869	
Other Contracted Services		110	
Duplicating Supplies		205	
Office Supplies		1,407	
In Service/Staff Development		1,240	
Total County Mayor/Executive			160,128

County Attorney

County Official/Administrative Officer	\$	23,607	
Social Security		1,464	
Pensions		1,497	
Employer Medicare		342	
Total County Attorney			26,910

Election Commission

County Official/Administrative Officer	\$	70,174	
Assistant(s)		31,616	
Election Commission		6,035	
Election Workers		23,464	
Social Security		7,069	
Pensions		6,454	
Medical Insurance		9,720	
Employer Medicare		1,653	
Advertising		7,375	
Communication		3,470	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)Election Commission (Cont.)

Dues and Memberships	\$	400	
Maintenance Agreements		11,435	
Postal Charges		2,348	
Travel		86	
Other Contracted Services		2,861	
Duplicating Supplies		198	
Office Supplies		2,971	
Other Supplies and Materials		6,940	
In Service/Staff Development		105	
Office Equipment		2,768	
Voting Machines		218,178	
Total Election Commission			\$ 415,320

Register of Deeds

County Official/Administrative Officer	\$	77,971	
Assistant(s)		26,893	
Deputy(ies)		33,273	
Part-time Personnel		7,534	
Social Security		8,985	
Pensions		8,758	
Medical Insurance		892	
Employer Medicare		2,101	
Communication		1,224	
Dues and Memberships		646	
Maintenance Agreements		13,377	
Postal Charges		1,212	
Duplicating Supplies		92	
Office Supplies		4,572	
Data Processing Equipment		11,865	
Total Register of Deeds			199,395

Development

Contracts with Government Agencies	\$	24,002	
Total Development			24,002

County Buildings

Custodial Personnel	\$	49,785	
Maintenance Personnel		45,038	
Other Salaries and Wages		5,655	
Social Security		6,104	
Pensions		5,166	
Medical Insurance		14,581	
Employer Medicare		1,392	
Communication		3,140	
Consultants		14,757	
Dues and Memberships		45	
Licenses		11,969	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)General Government (Cont.)County Buildings (Cont.)

Maintenance and Repair Services - Buildings	\$	115,503	
Pest Control		1,020	
Rentals		4,200	
Disposal Fees		1,584	
Other Contracted Services		1,289	
Custodial Supplies		9,332	
Diesel Fuel		1,005	
Electricity		23,771	
Gasoline		84	
Natural Gas		3,958	
Water and Sewer		4,354	
Other Supplies and Materials		4,875	
Building and Contents Insurance		73,105	
Liability Insurance		94,742	
Vehicle and Equipment Insurance		43,750	
Workers' Compensation Insurance		77,640	
Building Improvements		106,925	
Total County Buildings			\$ 724,769

Preservation of Records

Supervisor/Director	\$	20,324	
Other Salaries and Wages		20,957	
Social Security		2,541	
Pensions		1,289	
Employer Medicare		594	
Advertising		749	
Communication		2,405	
Pest Control		1,090	
Disposal Fees		132	
Other Contracted Services		1,000	
Electricity		5,427	
Natural Gas		1,268	
Water and Sewer		929	
Other Supplies and Materials		2,457	
Total Preservation of Records			61,162

FinanceAccounting and Budgeting

County Official/Administrative Officer	\$	77,971	
Assistant(s)		128,321	
Social Security		12,111	
Pensions		13,079	
Medical Insurance		29,392	
Employer Medicare		2,833	
Advertising		1,611	
Audit Services		4,286	
Communication		2,048	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Finance (Cont.)Accounting and Budgeting (Cont.)

Data Processing Services	\$	91,256	
Dues and Memberships		810	
Maintenance Agreements		32,892	
Postal Charges		5,177	
Travel		62	
Other Contracted Services		554	
Duplicating Supplies		1,635	
Office Supplies		6,058	
In Service/Staff Development		1,730	
Data Processing Equipment		1,147	
Total Accounting and Budgeting			\$ 412,973

Property Assessor's Office

County Official/Administrative Officer	\$	77,971	
Assistant(s)		58,978	
Deputy(ies)		33,273	
Part-time Personnel		720	
Board and Committee Members Fees		3,480	
Social Security		10,367	
Pensions		10,792	
Medical Insurance		10,760	
Employer Medicare		2,425	
Advertising		98	
Audit Services		10,460	
Communication		3,207	
Data Processing Services		8,652	
Dues and Memberships		1,400	
Legal Services		1,500	
Postal Charges		720	
Travel		1,466	
Other Contracted Services		110	
Duplicating Supplies		161	
Gasoline		774	
Office Supplies		1,124	
In Service/Staff Development		660	
Office Equipment		899	
Total Property Assessor's Office			239,997

Reappraisal Program

Secretary(ies)	\$	33,273	
Social Security		1,917	
Pensions		2,109	
Medical Insurance		3,968	
Employer Medicare		448	
Data Processing Services		3,310	
Postal Charges		6,525	
Total Reappraisal Program			51,550

(Continued)

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)

Finance (Cont.)

County Trustee's Office

County Official/Administrative Officer	\$	77,971	
Assistant(s)		26,328	
Deputy(ies)		33,273	
Part-time Personnel		7,352	
Social Security		7,926	
Pensions		8,722	
Medical Insurance		19,479	
Employer Medicare		1,893	
Advertising		172	
Communication		1,191	
Data Processing Services		4,294	
Dues and Memberships		776	
Maintenance Agreements		11,147	
Postal Charges		7,966	
Travel		260	
Duplicating Supplies		258	
Office Supplies		1,983	
Office Equipment		6,840	
Total County Trustee's Office			\$ 217,831

County Clerk's Office

County Official/Administrative Officer	\$	77,971	
Assistant(s)		97,573	
Deputy(ies)		3,839	
Part-time Personnel		940	
Social Security		9,792	
Pensions		11,373	
Medical Insurance		27,386	
Employer Medicare		2,290	
Communication		1,644	
Dues and Memberships		631	
Maintenance Agreements		7,987	
Postal Charges		6,962	
Duplicating Supplies		258	
Office Supplies		3,662	
Data Processing Equipment		8,550	
Office Equipment		493	
Total County Clerk's Office			261,351

Administration of Justice

Circuit Court

County Official/Administrative Officer	\$	77,971	
Assistant(s)		145,732	
Deputy(ies)		33,107	
Social Security		14,536	
Pensions		16,282	
Medical Insurance		38,400	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Circuit Court (Cont.)

Employer Medicare	\$	3,400	
Advertising		60	
Communication		3,650	
Dues and Memberships		841	
Maintenance Agreements		14,404	
Postal Charges		3,629	
Travel		407	
Other Contracted Services		100	
Duplicating Supplies		1,570	
Office Supplies		14,867	
In Service/Staff Development		100	
Office Equipment		2,439	
Total Circuit Court			\$ 371,495

General Sessions Court

Judge(s)	\$	162,461	
Secretary(ies)		36,239	
Social Security		10,384	
Pensions		12,598	
Medical Insurance		11,127	
Employer Medicare		2,808	
Communication		1,763	
Dues and Memberships		675	
Travel		1,071	
Office Supplies		1,673	
In Service/Staff Development		427	
Total General Sessions Court			241,226

Drug Court

Other Salaries and Wages	\$	2,839	
Social Security		175	
Pensions		180	
Employer Medicare		41	
Contracts with Government Agencies		48,508	
Remittance of Revenue Collected		9,500	
Total Drug Court			61,243

Chancery Court

County Official/Administrative Officer	\$	77,971	
Assistant(s)		25,254	
Deputy(ies)		33,273	
Social Security		8,327	
Pensions		8,654	
Medical Insurance		6,423	
Employer Medicare		1,947	
Advertising		1,630	
Communication		944	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Administration of Justice (Cont.)Chancery Court (Cont.)

Dues and Memberships	\$	631	
Maintenance Agreements		10,816	
Postal Charges		8,000	
Other Contracted Services		110	
Duplicating Supplies		3,155	
Office Supplies		2,878	
Office Equipment		6,563	
Total Chancery Court			\$ 196,576

Judicial Commissioners

Other Salaries and Wages	\$	58,758	
Social Security		3,576	
Pensions		3,725	
Medical Insurance		4,860	
Employer Medicare		836	
Communication		776	
Dues and Memberships		75	
Other Supplies and Materials		771	
Total Judicial Commissioners			73,377

Other Administration of Justice

Jury and Witness Expense	\$	3,807	
Maintenance Agreements		1,373	
Other Charges		44	
Total Other Administration of Justice			5,224

Courtroom Security

Other Salaries and Wages	\$	18,584	
Social Security		1,089	
Pensions		1,178	
Employer Medicare		255	
Other Contracted Services		600	
Other Supplies and Materials		12,566	
Total Courtroom Security			34,272

Public SafetySheriff's Department

County Official/Administrative Officer	\$	85,768	
Supervisor/Director		205,191	
Deputy(ies)		1,015,730	
Salary Supplements		30,400	
Clerical Personnel		84,719	
Part-time Personnel		2,863	
School Resource Officer		284,967	
Overtime Pay		49,892	
Other Salaries and Wages		27,210	
Social Security		106,743	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Sheriff's Department (Cont.)

Pensions	\$	112,375	
Medical Insurance		169,761	
Employer Medicare		24,964	
Dues and Memberships		2,144	
Evaluation and Testing		510	
Maintenance Agreements		20,841	
Maintenance and Repair Services - Vehicles		18,973	
Postal Charges		2,039	
Towing Services		2,400	
Travel		4,235	
Other Contracted Services		440	
Duplicating Supplies		1,214	
Gasoline		87,692	
Office Supplies		6,271	
Uniforms		13,565	
Other Supplies and Materials		4,670	
In Service/Staff Development		1,763	
Data Processing Equipment		26,205	
Law Enforcement Equipment		39,208	
Motor Vehicles		184,348	
Total Sheriff's Department			\$ 2,617,101

Traffic Control

Overtime Pay	\$	12,018	
Social Security		727	
Pensions		762	
Employer Medicare		170	
Law Enforcement Equipment		14,000	
Total Traffic Control			27,677

Jail

Supervisor/Director	\$	76,639	
Guards		977,046	
Clerical Personnel		78,720	
Maintenance Personnel		54,282	
Part-time Personnel		2,808	
Overtime Pay		16,367	
Other Salaries and Wages		26,930	
Social Security		73,207	
Pensions		77,255	
Medical Insurance		117,086	
Employer Medicare		17,121	
Communication		19,188	
Contracts with Government Agencies		29,480	
Contracts with Other Public Agencies		1,350	
Evaluation and Testing		3,115	
Maintenance Agreements		24,737	

(Continued)



## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Jail (Cont.)

Medical and Dental Services	\$	336,000	
Pest Control		1,800	
Travel		3,011	
Disposal Fees		144	
Other Contracted Services		5,280	
Custodial Supplies		31,556	
Duplicating Supplies		851	
Electricity		77,560	
Food Preparation Supplies		8,976	
Food Supplies		220,288	
Natural Gas		22,392	
Office Supplies		3,702	
Prisoners Clothing		17,357	
Uniforms		5,083	
Water and Sewer		55,689	
Other Supplies and Materials		17,454	
Excess Risk Insurance		26,559	
Medical Claims		112,892	
In Service/Staff Development		1,190	
Data Processing Equipment		8,129	
Food Service Equipment		9,993	
Law Enforcement Equipment		4,782	
Total Jail			\$ 2,566,019

Juvenile Services

Youth Service Officer(s)	\$	46,418	
Social Security		2,868	
Pensions		2,943	
Employer Medicare		671	
Communication		494	
Travel		2,680	
Office Supplies		105	
Total Juvenile Services			56,179

Fire Prevention and Control

Contracts with Government Agencies	\$	29,546	
Contributions		133,852	
Diesel Fuel		3,642	
Electricity		17,999	
Gasoline		856	
Natural Gas		5,284	
Water and Sewer		530	
Building and Contents Insurance		9,659	
Excess Risk Insurance		8,031	
Liability Insurance		6,602	
Vehicle and Equipment Insurance		15,865	
Total Fire Prevention and Control			231,866

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Safety (Cont.)Civil Defense

Communication	\$	18	
Contracts with Other Public Agencies		198	
Diesel Fuel		8	
Gasoline		7	
Other Supplies and Materials		3,943	
Total Civil Defense			\$ 4,174

Rescue Squad

Contributions	\$	16,273	
Disposal Fees		144	
Diesel Fuel		630	
Electricity		3,651	
Gasoline		480	
Natural Gas		1,854	
Water and Sewer		640	
Total Rescue Squad			23,672

County Coroner/Medical Examiner

Other Contracted Services	\$	90,942	
Total County Coroner/Medical Examiner			90,942

Other Public Safety

Contracts with Other Public Agencies	\$	209,110	
Total Other Public Safety			209,110

Public Health and WelfareLocal Health Center

Other Salaries and Wages	\$	114,694	
Social Security		6,544	
Pensions		7,271	
Medical Insurance		18,152	
Employer Medicare		1,531	
Communication		3,560	
Contracts with Government Agencies		38,320	
Janitorial Services		8,000	
Maintenance and Repair Services - Buildings		518	
Pest Control		480	
Travel		3,285	
Disposal Fees		144	
Other Contracted Services		860	
Electricity		5,817	
Natural Gas		1,123	
Water and Sewer		1,347	
Other Supplies and Materials		3,005	
Other Charges		754	
Total Local Health Center			215,405

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)Rabies and Animal Control

Supervisor/Director	\$	26,795	
Part-time Personnel		19,199	
Other Salaries and Wages		21,965	
Social Security		4,009	
Pensions		3,091	
Medical Insurance		9,300	
Employer Medicare		937	
Communication		1,693	
Veterinary Services		1,993	
Animal Food and Supplies		170	
Drugs and Medical Supplies		2,656	
Electricity		7,383	
Gasoline		2,118	
Office Supplies		219	
Uniforms		21	
Water and Sewer		2,714	
Other Supplies and Materials		4,737	
Total Rabies and Animal Control			\$ 109,000

Ambulance/Emergency Medical Services

Supervisor/Director	\$	56,043
Paraprofessionals		775,668
Salary Supplements		23,500
Secretary(ies)		30,258
Part-time Personnel		60,428
Overtime Pay		58,309
Other Salaries and Wages		77,617
Social Security		65,076
Pensions		64,543
Medical Insurance		80,035
Employer Medicare		15,219
Communication		8,826
Consultants		2,500
Contracts with Government Agencies		62,971
Dues and Memberships		875
Evaluation and Testing		100
Licenses		2,250
Maintenance and Repair Services - Buildings		1,678
Maintenance and Repair Services - Office Equipment		1,830
Maintenance and Repair Services - Vehicles		29,542
Pest Control		780
Travel		70
Tuition		7,952
Other Contracted Services		3,110
Custodial Supplies		1,750
Diesel Fuel		39,783
Drugs and Medical Supplies		78,536

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Public Health and Welfare (Cont.)Ambulance/Emergency Medical Services (Cont.)

Duplicating Supplies	\$	623	
Electricity		8,930	
Gasoline		1,169	
Natural Gas		2,346	
Office Supplies		1,577	
Uniforms		6,760	
Water and Sewer		1,055	
In Service/Staff Development		6,753	
Data Processing Equipment		1,329	
Motor Vehicles		38,417	
Other Equipment		141,159	
Total Ambulance/Emergency Medical Services	\$		1,759,367

Sanitation Education/Information

Other Salaries and Wages	\$	24,114	
Social Security		1,495	
Employer Medicare		350	
Travel		1,300	
Diesel Fuel		1,897	
Instructional Supplies and Materials		4,038	
Other Supplies and Materials		3,000	
Total Sanitation Education/Information			36,194

Waste Pickup

Supervisor/Director	\$	42,871	
Other Salaries and Wages		23,720	
Social Security		4,099	
Pensions		2,718	
Medical Insurance		781	
Employer Medicare		958	
Communication		584	
Gasoline		5,054	
Office Supplies		226	
Other Supplies and Materials		3,044	
Total Waste Pickup			84,055

Landfill Operation and Maintenance

Life Insurance	\$	374	
Medical Insurance		52,173	
Total Landfill Operation and Maintenance			52,547

Social, Cultural, and Recreational ServicesSenior Citizens Assistance

Contributions	\$	43,000	
Total Senior Citizens Assistance			43,000

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Social, Cultural, and Recreational Services (Cont.)Libraries

Supervisor/Director	\$	45,642	
Librarians		62,697	
Custodial Personnel		2,352	
Part-time Personnel		37,357	
Social Security		8,749	
Pensions		6,869	
Medical Insurance		9,620	
Employer Medicare		2,046	
Communication		5,159	
Janitorial Services		2,456	
Maintenance Agreements		995	
Pest Control		480	
Postal Charges		285	
Travel		111	
Disposal Fees		144	
Other Contracted Services		460	
Duplicating Supplies		1,728	
Electricity		11,728	
Library Books/Media		15,619	
Natural Gas		2,143	
Office Supplies		3,924	
Water and Sewer		953	
Other Supplies and Materials		3,278	
In Service/Staff Development		995	
Data Processing Equipment		9,841	
Total Libraries			\$ 235,631

Parks and Fair Boards

Disposal Fees	\$	144	
Other Contracted Services		17,915	
Electricity		12,560	
Natural Gas		281	
Water and Sewer		3,092	
Other Supplies and Materials		38,632	
Other Construction		27,000	
Total Parks and Fair Boards			99,624

Other Social, Cultural, and Recreational

Instructional Supplies and Materials	\$	7,320	
Library Books/Media		6,545	
Total Other Social, Cultural, and Recreational			13,865

Agriculture and Natural ResourcesAgricultural Extension Service

Salary Supplements	\$	48,118	
Other Fringe Benefits		18,105	
Communication		2,712	

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Agriculture and Natural Resources (Cont.)Agricultural Extension Service (Cont.)

Contributions	\$	2,500	
Disposal Fees		144	
Duplicating Supplies		435	
Electricity		2,426	
Natural Gas		828	
Water and Sewer		640	
Office Equipment		1,757	
Total Agricultural Extension Service			\$ 77,665

Forest Service

Other Contracted Services	\$	2,000	
Total Forest Service			2,000

Soil Conservation

Secretary(ies)	\$	20,702	
Social Security		1,225	
Pensions		1,312	
Medical Insurance		4,860	
Employer Medicare		286	
Contributions		500	
Total Soil Conservation			28,885

Other OperationsIndustrial Development

Other Salaries and Wages	\$	9,623	
Social Security		597	
Employer Medicare		140	
Contracts with Government Agencies		27,600	
Contributions		95,000	
Engineering Services		52,098	
Permits		350	
Other Contracted Services		7,200	
Electricity		843	
Water and Sewer		166	
Other Charges		75,759	
Other Construction		221,860	
Total Industrial Development			491,236

Other Economic and Community Development

Other Charges	\$	24,280	
Total Other Economic and Community Development			24,280

Airport

Maintenance Agreements	\$	28,000	
Total Airport			28,000

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Other Operations (Cont.)Veterans' Services

Supervisor/Director	\$	31,082	
Part-time Personnel		8,329	
Social Security		2,399	
Pensions		1,971	
Medical Insurance		4,860	
Employer Medicare		561	
Communication		1,715	
Postal Charges		330	
Travel		389	
Duplicating Supplies		1,227	
Office Supplies		1,485	
Data Processing Equipment		739	
Total Veterans' Services			\$ 55,087

Other Charges

Supervisor/Director	\$	46,104	
Mechanic(s)		86,154	
Clerical Personnel		27,677	
Social Security		9,506	
Pensions		10,140	
Medical Insurance		21,713	
Employer Medicare		2,223	
Communication		1,053	
Pest Control		420	
Other Contracted Services		4,446	
Custodial Supplies		1,446	
Diesel Fuel		2,105	
Electricity		9,064	
Equipment and Machinery Parts		141,248	
Garage Supplies		10,131	
Gasoline		2,483	
Lubricants		25,045	
Natural Gas		1,656	
Office Supplies		1,762	
Small Tools		3,215	
Tires and Tubes		49,446	
Uniforms		2,464	
Water and Sewer		440	
Data Processing Equipment		4,923	
Other Equipment		8,974	
Total Other Charges			473,838

Contributions to Other Agencies

Contributions	\$	42,361	
Total Contributions to Other Agencies			42,361

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

General Fund (Cont.)Other Operations (Cont.)Employee Benefits

Life Insurance	\$	6,174	
Medical Insurance		27,662	
Unemployment Compensation		8,722	
Total Employee Benefits			\$ 42,558

COVID-19 Grant J

Other Charges	\$	27,957	
Total COVID-19 Grant J			27,957

Miscellaneous

Trustee's Commission	\$	163,594	
Total Miscellaneous			163,594

Total General Fund \$ 13,789,466

Drug Control FundPublic SafetyDrug Enforcement

Communication	\$	1,063	
Confidential Drug Enforcement Payments		5,000	
Animal Food and Supplies		16,528	
Other Supplies and Materials		15,019	
Law Enforcement Equipment		18,488	
Total Drug Enforcement			\$ 56,098

Other OperationsMiscellaneous

Trustee's Commission	\$	331	
Total Miscellaneous			331

Total Drug Control Fund 56,429

Highway/Public Works FundHighwaysAdministration

County Official/Administrative Officer	\$	85,768	
Accountants/Bookkeepers		31,167	
Other Salaries and Wages		26,728	
Social Security		8,752	
Pensions		9,108	
Medical Insurance		4,869	
Employer Medicare		2,047	
Communication		2,223	
Dues and Memberships		3,325	
Evaluation and Testing		215	
Janitorial Services		600	
Pest Control		420	

(Continued)



## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)Highways (Cont.)Administration (Cont.)

Electricity	\$	2,612	
Natural Gas		554	
Office Supplies		1,639	
Water and Sewer		640	
Other Supplies and Materials		2,324	
Other Charges		954	
Total Administration			\$ 183,945

Highway and Bridge Maintenance

Foremen	\$	53,276	
Equipment Operators - Heavy		95,368	
Equipment Operators - Light		432,659	
Overtime Pay		21,798	
Social Security		35,877	
Pensions		38,201	
Medical Insurance		78,673	
Employer Medicare		8,391	
Communication		1,248	
Other Contracted Services		28,224	
Asphalt		747,420	
Asphalt - Hot Mix		5,271	
Asphalt - Liquid		25,507	
Crushed Stone		1,692	
Electricity		989	
General Construction Materials		1,562	
Pipe - Metal		14,912	
Road Signs		11,048	
Uniforms		6,918	
Gravel and Chert		35,791	
Other Supplies and Materials		5,527	
Total Highway and Bridge Maintenance			1,650,352

Operation and Maintenance of Equipment

Maintenance and Repair Services - Equipment	\$	2,361	
Maintenance and Repair Services - Vehicles		292	
Diesel Fuel		39,705	
Gasoline		21,650	
Total Operation and Maintenance of Equipment			64,008

Other Charges

Consultants	\$	3,173	
Building and Contents Insurance		1,353	
Liability Insurance		18,478	
Trustee's Commission		25,098	
Vehicle and Equipment Insurance		16,612	
Workers' Compensation Insurance		25,761	
Total Other Charges			90,475

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

Highway/Public Works Fund (Cont.)Highways (Cont.)Employee Benefits

Life Insurance	\$	761	
Medical Insurance		3,845	
Unemployment Compensation		3,230	
Total Employee Benefits			\$ 7,836

Capital Outlay

Engineering Services	\$	41,061	
Bridge Construction		304,640	
Highway Equipment		150,428	
State Aid Projects		414,143	
Other Construction		21,747	
Total Capital Outlay			932,019

Total Highway/Public Works Fund \$ 2,928,635

General Debt Service FundPrincipal on DebtGeneral Government

Principal on Bonds	\$	640,500	
Total General Government			\$ 640,500

Education

Principal on Bonds	\$	1,444,500	
Total Education			1,444,500

Interest on DebtGeneral Government

Interest on Bonds	\$	42,593	
Total General Government			42,593

Education

Interest on Bonds	\$	719,366	
Total Education			719,366

Other Debt ServiceGeneral Government

Trustee's Commission	\$	16,718	
Other Debt Service		4,383	
Total General Government			21,101

Total General Debt Service Fund 2,868,060

General Capital Projects FundCapital ProjectsPublic Health and Welfare Projects

Architects	\$	13,379	
Other Supplies and Materials		999	
Building Construction		248,033	
Total Public Health and Welfare Projects			\$ 262,411

Total General Capital Projects Fund 262,411

(Continued)

## Exhibit K-8

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types (Cont.)

<u>Highway Capital Projects Fund</u>			
<u>Capital Projects</u>			
<u>Highway and Street Capital Projects</u>			
Engineering Services	\$	232,005	
Other Contracted Services		1,738	
Bridge Construction		<u>1,155,648</u>	
Total Highway and Street Capital Projects			<u>\$ 1,389,391</u>
Total Highway Capital Projects Fund			<u>\$ 1,389,391</u>
Total Governmental Funds - Primary Government			<u><u>\$ 21,294,392</u></u>

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department  
For the Year Ended June 30, 2020

General Purpose School Fund

Instruction

Regular Instruction Program

Teachers	\$ 10,966,094	
Career Ladder Program	40,000	
Homebound Teachers	7,269	
Educational Assistants	662,929	
Certified Substitute Teachers	58,374	
Non-certified Substitute Teachers	84,765	
Social Security	683,880	
Pensions	1,126,174	
Medical Insurance	1,866,846	
Unemployment Compensation	5,000	
Employer Medicare	160,732	
Maintenance and Repair Services - Equipment	3,943	
Other Contracted Services	54,999	
Instructional Supplies and Materials	287,149	
Textbooks - Bound	211,916	
Other Supplies and Materials	95,962	
Fee Waivers	1,260	
Other Charges	56,679	
Regular Instruction Equipment	149,686	
Total Regular Instruction Program		\$ 16,523,657

Special Education Program

Teachers	\$ 1,282,647	
Career Ladder Program	5,000	
Educational Assistants	219,153	
Social Security	88,506	
Pensions	141,000	
Medical Insurance	257,306	
Employer Medicare	20,708	
Total Special Education Program		2,014,320

Career and Technical Education Program

Teachers	\$ 478,367	
Career Ladder Program	1,000	
Non-certified Substitute Teachers	1,300	
Social Security	28,031	
Pensions	49,457	
Medical Insurance	68,920	
Employer Medicare	6,556	
Maintenance and Repair Services - Equipment	2,500	
Travel	17	
Instructional Supplies and Materials	16,000	
Total Career and Technical Education Program		652,148

(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)Support ServicesAttendance

Supervisor/Director	\$	65,415	
Social Security		3,750	
Pensions		6,954	
Medical Insurance		15,680	
Employer Medicare		877	
Travel		1,257	
Total Attendance			\$ 93,933

Health Services

Supervisor/Director	\$	46,165	
Other Salaries and Wages		187,301	
Social Security		14,087	
Pensions		16,782	
Medical Insurance		19,360	
Employer Medicare		3,294	
Travel		734	
Drugs and Medical Supplies		6,000	
Other Supplies and Materials		19,152	
Other Charges		4,400	
Total Health Services			317,275

Other Student Support

Career Ladder Program	\$	1,000	
Guidance Personnel		545,265	
Clerical Personnel		24,560	
Other Salaries and Wages		47,970	
Social Security		35,784	
Pensions		63,089	
Medical Insurance		97,087	
Employer Medicare		8,369	
Contracts with Government Agencies		52,819	
Other Contracted Services		262,648	
Software		117,472	
Other Supplies and Materials		721	
Total Other Student Support			1,256,784

Regular Instruction Program

Supervisor/Director	\$	142,047	
Career Ladder Program		1,000	
Librarians		310,315	
Clerical Personnel		13,843	
Educational Assistants		17,369	
Other Salaries and Wages		26,803	
Social Security		30,330	
Pensions		50,221	
Medical Insurance		62,086	

(Continued)

Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Regular Instruction Program (Cont.)

Employer Medicare	\$	7,093	
Travel		2,229	
Other Contracted Services		4,000	
Library Books/Media		51,850	
In Service/Staff Development		9,615	
Total Regular Instruction Program			\$ 728,801

Special Education Program

Supervisor/Director	\$	75,402	
Clerical Personnel		13,843	
Other Salaries and Wages		6,443	
Social Security		5,933	
Pensions		9,301	
Employer Medicare		1,388	
Travel		1,154	
Other Contracted Services		21,901	
Other Supplies and Materials		4,912	
Total Special Education Program			140,277

Career and Technical Education Program

Supervisor/Director	\$	64,800	
Career Ladder Program		1,000	
Secretary(ies)		43,179	
Social Security		6,116	
Pensions		9,732	
Medical Insurance		15,850	
Employer Medicare		1,430	
Other Contracted Services		60,508	
Other Supplies and Materials		2,000	
Total Career and Technical Education Program			204,615

Technology

Supervisor/Director	\$	58,936	
Data Processing Personnel		63,228	
Other Salaries and Wages		24,845	
Social Security		8,801	
Pensions		15,440	
Medical Insurance		22,670	
Employer Medicare		2,058	
Consultants		3,500	
Maintenance and Repair Services - Equipment		5,824	
Internet Connectivity		57,378	
Other Contracted Services		17,000	
Other Supplies and Materials		9,758	
Other Equipment		30,603	
Total Technology			320,041

(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Other Programs

On-behalf Payments to OPEB	\$	188,845	
Total Other Programs			\$ 188,845

Board of Education

Board and Committee Members Fees	\$	18,195	
In-service Training		12,770	
Social Security		1,250	
Pensions		166	
Medical Insurance		11,625	
Employer Medicare		290	
Payments to Retirees		47,625	
Other Fringe Benefits		4,846	
Audit Services		6,500	
Dues and Memberships		9,881	
Legal Services		9,625	
Liability Insurance		46,117	
Premiums on Corporate Surety Bonds		2,361	
Trustee's Commission		139,080	
Workers' Compensation Insurance		198,119	
Total Board of Education			508,450

Director of Schools

County Official/Administrative Officer	\$	95,614	
Other Salaries and Wages		1,000	
Social Security		5,890	
Pensions		10,200	
Medical Insurance		18,223	
Employer Medicare		1,377	
Communication		6,500	
Dues and Memberships		2,079	
Postal Charges		11	
Travel		1,500	
Total Director of Schools			142,394

Office of the Principal

Principals	\$	563,271	
Career Ladder Program		2,000	
Accountants/Bookkeepers		62,576	
Assistant Principals		321,970	
Secretary(ies)		198,100	
Other Salaries and Wages		8,847	
Social Security		66,981	
Pensions		111,477	
Medical Insurance		165,000	
Employer Medicare		15,665	
Communication		47,640	
Total Office of the Principal			1,563,527

(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)Support Services (Cont.)Fiscal Services

Supervisor/Director	\$	55,958	
Secretary(ies)		30,522	
Clerical Personnel		28,949	
Social Security		6,862	
Pensions		7,318	
Medical Insurance		12,100	
Employer Medicare		1,605	
Contributions		13,000	
Maintenance and Repair Services - Equipment		3,743	
Travel		73	
Office Supplies		1,385	
Total Fiscal Services			\$ 161,515

Operation of Plant

Custodial Personnel	\$	875,221	
Other Salaries and Wages		36,115	
Social Security		53,982	
Pensions		55,908	
Medical Insurance		155,599	
Employer Medicare		12,683	
Electricity		596,491	
Natural Gas		102,592	
Water and Sewer		77,236	
Other Supplies and Materials		86,156	
Boiler Insurance		7,478	
Building and Contents Insurance		156,554	
Total Operation of Plant			2,216,015

Maintenance of Plant

Maintenance Personnel	\$	210,242	
Social Security		11,800	
Pensions		13,329	
Medical Insurance		39,148	
Employer Medicare		2,760	
Pest Control		7,896	
Other Contracted Services		11,455	
Other Supplies and Materials		115,112	
Other Charges		3,960	
Administration Equipment		30,385	
Maintenance Equipment		62,521	
Total Maintenance of Plant			508,608

Transportation

Supervisor/Director	\$	63,282	
Mechanic(s)		75,636	
Bus Drivers		568,492	

(Continued)



## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Clerical Personnel	\$	28,282	
Other Salaries and Wages		71,863	
Social Security		49,109	
Pensions		48,806	
Medical Insurance		36,853	
Employer Medicare		11,596	
Communication		5,700	
Medical and Dental Services		4,434	
Other Contracted Services		391	
Diesel Fuel		75,902	
Garage Supplies		2,105	
Gasoline		26,218	
Lubricants		2,514	
Tires and Tubes		23,476	
Vehicle Parts		70,152	
Vehicle and Equipment Insurance		42,498	
In Service/Staff Development		814	
Other Charges		4,456	
Transportation Equipment		232,294	
Total Transportation			\$ 1,444,873

Operation of Non-Instructional Services

Food Service

Medical Insurance	\$	99,000	
Total Food Service			99,000

Community Services

Other Salaries and Wages	\$	44,965	
Social Security		2,735	
Pensions		2,851	
Employer Medicare		640	
Travel		917	
Other Supplies and Materials		1,365	
Total Community Services			53,473

Early Childhood Education

Teachers	\$	250,800	
Educational Assistants		82,675	
Social Security		19,192	
Pensions		30,180	
Medical Insurance		57,755	
Employer Medicare		4,495	
Retirement - Hybrid Stabilization		235	
Instructional Supplies and Materials		27,471	
Regular Instruction Equipment		32,801	
Total Early Childhood Education			505,604

(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

General Purpose School Fund (Cont.)Capital OutlayRegular Capital Outlay

Building Improvements	\$ 430,218	
Total Regular Capital Outlay		\$ 430,218

Principal on DebtEducation

Debt Service Contribution to Primary Government	\$ 1,200,000	
Total Education		<u>1,200,000</u>

Total General Purpose School Fund		\$ 31,274,373
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School Federal Projects FundInstructionRegular Instruction Program

Teachers	\$ 509,430	
Educational Assistants	238,255	
Non-certified Substitute Teachers	14,328	
Social Security	44,546	
Pensions	67,578	
Medical Insurance	78,875	
Unemployment Compensation	999	
Employer Medicare	10,459	
Instructional Supplies and Materials	<u>46,207</u>	
Total Regular Instruction Program		\$ 1,010,677

Special Education Program

Teachers	\$ 161,515	
Educational Assistants	312,264	
Speech Pathologist	24,633	
Social Security	27,650	
Pensions	32,346	
Medical Insurance	40,089	
Unemployment Compensation	1,014	
Employer Medicare	7,373	
Instructional Supplies and Materials	9,981	
Other Supplies and Materials	5,939	
Special Education Equipment	<u>9,208</u>	
Total Special Education Program		632,012

Career and Technical Education Program

Other Supplies and Materials	\$ 13,416	
Vocational Instruction Equipment	<u>97,087</u>	
Total Career and Technical Education Program		110,503

Support ServicesOther Student Support

Bus Drivers	\$ 639	
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(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

School Federal Projects Fund (Cont.)Support Services (Cont.)Other Student Support (Cont.)

Social Security	\$	40	
Pensions		32	
Employer Medicare		9	
Travel		1,229	
Other Supplies and Materials		962	
In Service/Staff Development		4,878	
Other Charges		19,104	
Total Other Student Support			\$ 26,893

Regular Instruction Program

Supervisor/Director	\$	42,978	
Other Salaries and Wages		198,409	
Social Security		7,107	
Pensions		11,030	
Medical Insurance		9,300	
Unemployment Compensation		96	
Employer Medicare		3,285	
Other Supplies and Materials		242	
In Service/Staff Development		56,710	
Other Charges		160	
Total Regular Instruction Program			329,317

Special Education Program

Psychological Personnel	\$	176,835	
Other Salaries and Wages		44,165	
Social Security		12,633	
Pensions		21,598	
Medical Insurance		35,243	
Unemployment Compensation		264	
Employer Medicare		2,955	
Travel		405	
Other Supplies and Materials		10,606	
In Service/Staff Development		9,692	
Total Special Education Program			314,396

Career and Technical Education Program

In Service/Staff Development	\$	607	
Total Career and Technical Education Program			607

Transportation

Bus Drivers	\$	62,500	
Social Security		3,705	
Pensions		3,756	
Medical Insurance		50	
Unemployment Compensation		52	
Employer Medicare		893	

(Continued)

Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

School Federal Projects Fund (Cont.)

Support Services (Cont.)

Transportation (Cont.)

Contracts with Parents	\$	732	
Diesel Fuel		179	
Transportation Equipment		1,568	
Total Transportation			\$ 73,435

Operation of Non-Instructional Services

Community Services

Supervisor/Director	\$	32,209	
Teachers		222,648	
Clerical Personnel		6,400	
Educational Assistants		65,412	
Social Security		18,200	
Pensions		26,679	
Employer Medicare		4,737	
Travel		1,117	
Instructional Supplies and Materials		27,920	
Other Supplies and Materials		1,200	
In Service/Staff Development		1,226	
Total Community Services			407,748

Total School Federal Projects Fund \$ 2,905,588

Central Cafeteria Fund

Operation of Non-Instructional Services

Food Service

Supervisor/Director	\$	65,725	
Clerical Personnel		30,442	
Cafeteria Personnel		802,738	
Temporary Personnel		12,274	
Other Salaries and Wages		4,612	
Social Security		53,726	
Pensions		54,637	
Medical Insurance		29,115	
Unemployment Compensation		1,782	
Employer Medicare		12,565	
Communication		3,738	
Maintenance and Repair Services - Equipment		72,075	
Transportation - Other than Students		71,969	
Travel		3,280	
Food Preparation Supplies		32,233	
Food Supplies		976,184	
Uniforms		2,698	
USDA - Commodities		98,205	
Other Supplies and Materials		74,185	
Refunds		833	
In Service/Staff Development		3,042	

(Continued)

## Exhibit K-9

White County, Tennessee  
Schedule of Detailed Expenditures -  
All Governmental Fund Types  
Discretely Presented White County School Department (Cont.)

Central Cafeteria Fund (Cont.)

Operation of Non-Instructional Services (Cont.)

Food Service (Cont.)

Other Charges	\$	14,215	
Data Processing Equipment		10,728	
Food Service Equipment		77,393	
Total Food Service			<u>\$ 2,508,394</u>

Total Central Cafeteria Fund \$ 2,508,394

Education Capital Projects Fund

Capital Projects

Education Capital Projects

Architects	\$	85,808	
Other Contracted Services		828,282	
Other Supplies and Materials		132,299	
Building Construction		5,773,331	
Total Education Capital Projects			<u>\$ 6,819,720</u>

Total Education Capital Projects Fund 6,819,720

Total Governmental Funds - White County School Department \$ 43,508,075

White County, Tennessee  
Schedule of Detailed Receipts, Disbursements,  
and Changes in Cash Balance - City Agency Fund  
For the Year Ended June 30, 2020

	Cities - Sales Tax Fund
<hr/>	
<u>Cash Receipts</u>	
Local Option Sales Tax	\$ 1,919,396
	<hr/>
<u>Cash Disbursements</u>	
Remittance of Revenues Collected	\$ 1,900,202
Trustee's Commission	19,194
Total Cash Disbursements	<hr/> \$ 1,919,396 <hr/>
Excess of Cash Receipts Over (Under) Cash Disbursements	\$ 0
Cash Balance, July 1, 2019	<hr/> 0
Cash Balance, June 30, 2020	<hr/> \$ 0 <hr/>

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## SINGLE AUDIT SECTION

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JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

**Report on Internal Control Over Financial Reporting and on Compliance and  
Other Matters Based on an Audit of Financial Statements Performed in  
Accordance With *Government Auditing Standards***

Independent Auditor's Report

White County Executive and  
Board of County Commissioners  
White County, Tennessee

To the County Executive and Board of County Commissioners:

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise White County's basic financial statements as listed in the table of contents, and have issued our report thereon dated October 26, 2020.

**Internal Control Over Financial Reporting**

In planning and performing our audit of the financial statements, we considered White County's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of White County's internal control. Accordingly, we do not express an opinion on the effectiveness of White County's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control



that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs, that we consider to be a significant deficiency: 2020-001.

### **Compliance and Other Matters**

As part of obtaining reasonable assurance about whether White County's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and are described in the accompanying Schedule of Findings and Questioned Costs as items: 2020-002 and 2020-003.

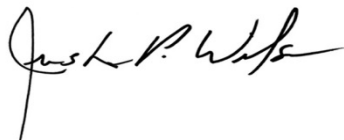
### **White County's Responses to the Findings**

White County's responses to the findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs. White County's responses were not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on them.

### **Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering White County's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 26, 2020

JPW/yu



JUSTIN P. WILSON  
*Comptroller*

JASON E. MUMPOWER  
*Deputy Comptroller*

**Report on Compliance for Each Major Federal Program; Report on Internal Control Over Compliance; and Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

**Independent Auditor's Report**

White County Executive and  
Board of County Commissioners  
White County, Tennessee

To the County Executive and Board of County Commissioners:

**Report on Compliance for Each Major Federal Program**

We have audited White County's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of White County's major federal programs for the year ended June 30, 2020. White County's major federal programs are identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

***Management's Responsibility***

Management is responsible for compliance with the federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

***Auditor's Responsibility***

Our responsibility is to express an opinion on compliance for each of White County's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about White County's compliance with those

requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of White County's compliance.

### ***Opinion on Each Major Federal Program***

In our opinion, White County complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2020.

### **Report on Internal Control Over Compliance**

Management of White County is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered White County's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of White County's internal control over compliance.

*A deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

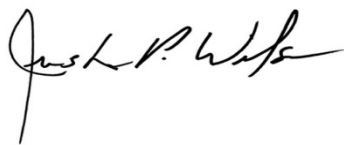
The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on

the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

### **Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance**

We have audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of White County, Tennessee, as of and for the year ended June 30, 2020, and the related notes to the financial statements, which collectively comprise White County's basic financial statements. We issued our report thereon dated October 26, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Expenditures of Federal Awards is fairly stated in all material respects in relation to the basic financial statements as a whole.

Very truly yours,



Justin P. Wilson  
Comptroller of the Treasury  
Nashville, Tennessee

October 26, 2020

JPW/yu

White County, Tennessee, and the White County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3)  
For the Year Ended June 30, 2020

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Agriculture:			
Passed-through State Department of Education:			
Child Nutrition Cluster: (5)			
School Breakfast Program	10.553	(4)	\$ 492,670 (9)
COVID 19 - School Breakfast Program	10.553	(4)	201,650 (9)
National School Lunch Program	10.555	(4)	1,016,225 (6) (8)
COVID 19 - National School Lunch Program	10.555	(4)	280,006 (6)
Passed-through State Department of Agriculture:			
Child Nutrition Cluster: (5)			
National School Lunch Program (Commodities - Noncash Assistance)	10.555	(4)	108,884 (6)
Passed-through State Department of Health:			
WIC Special Supplemental Nutrition Program for Women, Infants, and Children	10.557	(4)	17,233
Total U.S. Department of Agriculture			<u>\$ 2,116,668</u>
U.S. Department of Housing and Urban Development:			
Passed-through State Department of Economic and Community Development:			
Community Development Block Grants/State's Program and Non-Entitlement Grants in Hawaii	14.228	(4)	<u>\$ 2,670</u>
U.S. Department of Interior:			
Direct Program:			
Payments in-Lieu-of Taxes	15.226	N/A	<u>\$ 2,907</u>
U.S. Department of Transportation:			
Passed-through State Department of Transportation:			
Highway Planning and Construction Cluster: (5)			
Highway Planning and Construction	20.205	93LPLM-F3-020	\$ 1,111,513
Alcohol Open Container Requirements	20.607	(7)	25,253
Total U.S. Department of Transportation			<u>\$ 1,136,766</u>
Appalachian Regional Commission			
Direct Program:			
Appalachian Area Development - Supplemental and Direct Grants	23.002	N/A	<u>\$ 192,202</u>
Institute of Museum and Library Services:			
Passed-through Tennessee Secretary of State:			
Grants to States	45.310	(4)	<u>\$ 3,631</u>
U.S. Department of Education:			
Passed-through State Department of Education:			
Title I Grants to Local Educational Agencies	84.010	(4)	\$ 1,100,730
Special Education Cluster: (5)			
Special Education - Grants to States	84.027	(4)	1,015,398
Special Education - Preschool Grants	84.173	(4)	23,142
Career and Technical Education - Basic Grants to States	84.048	(4)	118,136
Twenty-first Century Community Learning Centers	84.287	(4)	416,761
Rural Education	84.358	(4)	70,779
Supporting Effective Instruction State Grant	84.367	(4)	134,686
Student Support and Academic Enrichment Program	84.424	(4)	83,606
Total U.S. Department of Education			<u>\$ 2,963,238</u>
U.S. Election Assistance Commission:			
Passed-through Tennessee Secretary of State:			
COVID 19 - Election Security Grants	90.404	(4)	<u>\$ 116,038</u>
U.S. Department of Health and Human Services:			
Passed-through State Department of Health:			
Family Planning Services	93.217	(4)	\$ 4,217
Health Center Program Cluster: (5)			
Consolidated Health Center Program (Community Health Centers, Migrant Health Centers, Health Care for the Homeless, and Public Housing Primary Care)	93.224	(4)	27,782
Maternal and Child Health Services Block Grant to the States	93.994	(4)	274
Direct Program:			
COVID 19 - Provider Relief Fund	93.498	N/A	62,666
Total U.S. Department of Health and Human Services			<u>\$ 94,939</u>

White County, Tennessee, and the White County School Department  
Schedule of Expenditures of Federal Awards and State Grants (1) (2) (3) (Cont.)

Federal/Pass-through Agency/State Grantor Program Title	Federal CFDA Number	Passed-through Entity Identifying Number	Expenditures
U.S. Department of Homeland Security:			
Direct Program:			
Assistance to Firefighters Grant	97.044	N/A	\$ 96,432
Passed-through State Department of Military:			
Personal Protective Equipment Distribution - COVID (Noncash Assistance)	97.U01	(4)	20,968
Total U.S. Department of Homeland Security			<u>\$ 117,400</u>
Total Expenditures of Federal Awards			<u><u>\$ 6,746,459</u></u>
		Contract Number	
<u>State Grants</u>			
Local Health Services Grant - State Department of Health	N/A	(4)	\$ 102,726
ThreeStar Grant Program - State Department of Economic and Community Development	N/A	(4)	24,280
Used Oil Grant - State Department of Environment and Conservation	N/A	(4)	61,000
Litter Program - State Department of Transportation	N/A	Z20LIT093	42,921
State Supplement Juvenile Court Improvement Funds - State Department of Children Services	N/A	(4)	9,000
Public Technology Skills Grant - Tennessee Secretary of State	N/A	(4)	600
Asset Enhancement Grant Program - Tennessee Department of Economic and Community Development	N/A	(4)	50,000
Juvenile Recovery Drug Court - State Department of Mental Health and Substance Abuse Services	N/A	(4)	47,243
Courtroom Security Grant - State Administrative Office of the Courts	N/A	(4)	12,531
Tennessee Counts Census Grant - Tennessee Department of Finance and Administration	N/A	(4)	10,000
Voting System (HAVA Match) - Tennessee Secretary of State	N/A	(4)	5,712
Computer Equipment (HAVA Match) - Tennessee Secretary of State	N/A	(4)	87
Personal Protective Equipment Distribution - COVID (Noncash Assistance) - State Department of Military	N/A	(4)	6,989
Voluntary Pre-K for Tennessee - State Department of Education	N/A	(4)	500,491
Coordinated School Health - State Department of Education	N/A	(4)	93,874
Family Resource Centers - State Department of Education	N/A	(4)	27,334
Safe Schools Act - State Department of Education	N/A	(4)	75,755
1990 Bridge Grant Program - State Department of Transportation	N/A	(4)	345,236
1990 Bridge Grant Program - State Department of Transportation	N/A	455G/SAG093	125,045
High Priority Bridge Replacement Program - State Department of Transportation	N/A	455G/220SAH	152,833
Special Needs Grant - State Department of Health	N/A	(4)	<u>235,631</u>
Total State Grants			<u><u>\$ 1,929,288</u></u>

CFDA = Catalog of Federal Domestic Assistance  
N/A = Not Applicable

- (1) Presented in conformity with generally accepted accounting principles using the modified accrual basis of accounting.
- (2) White County elected not to use the 10% de minimis cost rate permitted in the Uniform Guidance.
- (3) No amounts (\$0) were passed-through to subrecipients.
- (4) Information not available.
- (5) Child Nutrition Cluster total \$2,099,435; Special Education Cluster total \$1,038,540; Health Center Program Cluster total \$27,782 and Highway Planning and Construction Cluster total \$1,111,513.
- (6) Total for CFDA No. 10.555 is \$1,405,115.
- (7) 154AL-20-196; \$16,088, 154AL-19-249; \$9,165.
- (8) National School Lunch Program (NSLP) \$991,071 and NSLP Afterschool Snack Program \$25,154.
- (9) Total for CFDA No. 10.553 is \$694,320.

White County, Tennessee  
Summary Schedule of Prior-year Findings  
For the Year Ended June 30, 2020

*Government Auditing Standards* require auditors to report the status of uncorrected findings from prior audits. In addition, OMB's Uniform Guidance requires auditees to report the status of all prior-year findings whether corrected or not. Presented below are financial statement findings along with their current status from the Annual Financial Report for White County, Tennessee, for the year ended June 30, 2020.

***Prior-year Financial Statement Findings***

Fiscal Year	Page Number	Finding Number	Title of Finding	CFDA Number	Current Status
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**OFFICE OF FINANCE DIRECTOR**

2019	193	2019-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2019.	N/A	Not corrected - See explanation on Corrective Action Plan
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**OFFICE OF COUNTY CLERK**

2019	193	2019-002	The office did not review its software audit logs.	N/A	Corrected
2019	194	2019-003	Operations of the County Clerk's Office are currently being reviewed.	N/A	N/A

**OFFICE OF SHERIFF**

2019	194	2019-004	Operations of the Sheriff's Office are currently being reviewed.	N/A	N/A
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***Prior-year Federal Awards Findings***

There were no prior-year federal award findings to report.

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**WHITE COUNTY, TENNESSEE**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**For the Year Ended June 30, 2020**

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**PART I, SUMMARY OF AUDITOR'S RESULTS**

**Financial Statements:**

1. Our report on the financial statements of White County is unmodified.
2. Internal Control Over Financial Reporting:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **YES**
3. Noncompliance material to the financial statements noted? **NO**

**Federal Awards:**

4. Internal Control Over Major Federal Programs:
  - \* Material weakness identified? **NO**
  - \* Significant deficiency identified? **NONE REPORTED**
5. Type of report auditor issued on compliance for major programs. **UNMODIFIED**
6. Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? **NO**
7. Identification of Major Federal Programs:
  - \* CFDA Number: 20.205 Highway Planning and Construction
  - \* CFDA Numbers: 84.027 and 84.173 Special Education Cluster:  
Special Education Grants to States,  
Special Education Preschool Grants
8. Dollar threshold used to distinguish between Type A and Type B Programs. **\$750,000**
9. Auditee qualified as low-risk auditee? **YES**



## **PART II, FINDING RELATED TO THE FINANCIAL STATEMENTS**

Findings and recommendations, as a result of our audit are presented below. We reviewed these findings and recommendations with management to provide an opportunity for their response. Written responses for all findings are paraphrased and presented following each finding and recommendation. Management's corrective action plan, whether related to the financial statements or federal awards, is presented separately in the Management's Corrective Action Plan in the Single Audit Section of this report. Findings relating specifically to the audit of federal awards, if any, are separately presented under Part III, Findings and Questioned Costs for Federal Awards.

### **OFFICE OF FINANCE DIRECTOR**

#### **FINDING 2020-001**

**THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN UNRESTRICTED NET POSITION AT JUNE 30, 2020**  
(Internal Control – Significant Deficiency Under *Government Auditing Standards*)

The Solid Waste Disposal Fund had a deficit of \$5,957,613 in unrestricted net position at June 30, 2020. This deficit resulted from the recognition of a liability totaling \$6,529,819 in the financial statements for costs associated with closing the county's landfill and monitoring the landfill for 30 years after its closure. Generally accepted accounting principles require that such costs be reflected in the financial statements. This deficiency exists due to the failure of management to correct the finding noted in the prior-year audit report.

#### **RECOMMENDATION**

County officials should develop and implement a plan that would fund the deficit in unrestricted net position.

#### **MANAGEMENT'S RESPONSE – FINANCE DIRECTOR**

We concur with this finding and will continue to work toward fully funding the deficit in unrestricted net position.

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### **OFFICE OF COUNTY CLERK**

#### **FINDING 2020-002**

**OPERATIONS OF THE COUNTY CLERK'S OFFICE ARE CURRENTLY BEING REVIEWED**  
(Noncompliance Under *Government Auditing Standards*)

The county clerk uses software that generates audit logs that display changes made by employees and creates an audit trail that can be used to verify the validity and authority of these transactions. During our examination, we noted several questionable deletions not supported with proper documentation. When brought to the attention of the clerk, she then submitted a Fraud Reporting Form to the Comptroller's Office as required by law. In

response to this information, the Comptroller's Division of Investigations is currently reviewing certain operations of the County Clerk's Office in more detail. Findings, if any, resulting from this review will be included in a subsequent report.

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## **OFFICE OF SHERIFF**

### **FINDING 2020-003**

### **AN INVESTIGATION IN THE WHITE COUNTY SHERIFF'S DEPARTMENT DISCLOSED SEVERAL DEFICIENCIES**

(Noncompliance Under *Government Auditing Standards*)

An investigation report dated March 27, 2020, by the Comptroller's Division of Investigations disclosed deficiencies with the accrual of leave and compensatory time by some employees. The report also disclosed a deficiency in purchasing. Details of the investigation can be found in a report released by the Comptroller's Division of Investigations at [www.comptroller.tn.gov](http://www.comptroller.tn.gov).

### **PART III, FINDINGS AND QUESTIONED COSTS FOR FEDERAL AWARDS**

There were no findings and questioned costs related to federal awards for the year ended June 30, 2020.

**White County, Tennessee**  
**Management's Corrective Action Plan**  
**For the Year Ended June 30, 2020**

We reviewed the financial statement and federal award findings and recommendations with management to provide an opportunity for their response as required by the auditee requirements within Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Management's corrective action plans for all financial statement findings and federal award findings are presented in this section and have been indexed below. The corrective action plans were prepared by management and have been presented as they were submitted.

Finding Number	Title of Finding	Corrective Action Plan Page Number
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**OFFICE OF FINANCE DIRECTOR**

2020-001	The Solid Waste Disposal Fund had a deficit in unrestricted net position at June 30, 2020	197
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**OFFICE OF COUNTY CLERK**

2020-002	Operations of the County Clerk's Office are currently being reviewed	N/A
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**OFFICE OF SHERIFF**

2020-003	An investigation in the White County Sheriff's Department disclosed several deficiencies	N/A
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Chad S. Marcum, CPA  
Director of Finance



## WHITE COUNTY, TENNESSEE

Department of Finance

1 East Bockman Way, Room 204  
Sparta, Tennessee 38583  
P 931.836.3216  
F 931.836.3343  
finance@whitecountyttn.gov

### Corrective Action Plan

**FINDING:** THE SOLID WASTE DISPOSAL FUND HAD A DEFICIT IN  
UNRESTRICTED NET POSITION AT JUNE 30, 2020

**Response and Corrective Action Plan Prepared by:**  
Chad S. Marcum, Director of Finance

**Person Responsible for Implementing the Corrective Action:**  
Denny Wayne Robinson, County Executive

**Anticipated Completion Date of Corrective Action:**  
A fiscal period in the near future.

**Repeat Finding:**  
Yes

**Reason Corrective Action was Not Taken in the Prior Year:**  
This is a recurring finding due to the complex political nature of the required remedy. However, management does note that the value of current assets is sufficient to maintain daily operation at current capacity and service levels.

**Planned Corrective Action:**  
The deficit in unrestricted net position may be corrected through various avenues which include increasing fees, expanding the customer base, recycling expansion, or any combination thereof. Management has and will continue to communicate the need for the availability of additional current assets in the Solid Waste Disposal Fund. Specifically, management discussed this finding in a meeting with the Audit Committee on February 27, 2020 and the committee reported to the full legislative body on March 23, 2020 its concurrence with the finding. It should be noted that while the value of current assets is sufficient to maintain day to day operations, White County has also entered into a Contract in Lieu of Performance Bond with the Tennessee Department of Environment and Conservation which allows the state to divert any funds being disbursed or to be disbursed from the State to White County as financial assurance for the proper operation, closure, and post-closure of the landfill in the event White County fails to meet its obligations of such.

